

Original Application

Perimeter Surgery Center

CN1705-017

MAY 15 17 AM

May 15, 2017

Melanie Hill, Executive Director
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: CON Application Submittal
Relocation of Perimeter Surgery Center
Cookeville, Putnam County

Dear Mrs. Hill:

This letter transmits an original and two copies of the subject application. The affidavit and filing fee are enclosed.

I am the contact person for this project. Please advise me of any additional information you may need. We look forward to working with the Agency on this project.

Respectfully,



John Wellborn
Consultant

**CERTIFICATE OF NEED APPLICATION
TO RELOCATE
PERIMETER SURGERY CENTER
AN
AMBULATORY SURGICAL TREATMENT CENTER
LIMITED TO OPHTHALMOLOGY
IN COOKEVILLE, PUTNAM COUNTY**

Submitted May 2017

CERTIFICATE OF NEED APPLICATION

SECTION A: APPLICANT PROFILE

1. Name of Facility, Agency, or Institution

Perimeter Surgery Center		
<i>Name</i>		
1125 Perimeter Park Drive	Putnam	
<i>Street or Route</i>	<i>County</i>	
Cookeville	TN	38501
<i>City</i>	<i>State</i>	<i>Zip Code</i>
www.perimetersurgerycenter.com/		
<i>Website Address</i>		

2. Contact Person Available for Responses to Questions

John Wellborn		Consultant	
<i>Name</i>		<i>Title</i>	
Development Support Group		jwdsg@comcast.net	
<i>Company Name</i>		<i>E-Mail Address</i>	
4219 Hillsboro Road, Suite 210	Nashville	TN	37215
<i>Street or Route</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>
CON Consultant	615-665-2022	615-665-2042	
<i>Association With Owner</i>	<i>Phone Number</i>	<i>Fax Number</i>	

NOTE: Section A is intended to give the applicant an opportunity to describe the project. Section B addresses how the project relates to the criteria for a Certificate of Need by addressing: Need, Economic Feasibility, Contribution to the Orderly Development of Health Care, and Quality Measures. Please answer all questions on 8.5" X 11" white paper, clearly typed and spaced, single-sided, in order and sequentially numbered. In answering, please type the question and the response. All questions must be answered. If an item does not apply, please indicate "N/A" (not applicable). Attach appropriate documentation as an Appendix at the end of the application and reference the applicable Item Number on the attachment, i.e., Attachment A.1, A.2, etc. The last page of the application should be a completed and signed notarized affidavit.

3. Executive Summary

a. Overview

Please provide an overview not to exceed three pages in total, explaining each numbered point.

(1) Description (Address the establishment of a health care institution, initiation of health services, bed complement changes, and/or how this project relates to any other outstanding but unimplemented certificates of need held by the applicant.)

Perimeter Surgery Center, the applicant, is an established ambulatory eye surgery center in Cookeville, Putnam County. It has served patients on the Cumberland Plateau for sixteen years. It has one operating room and a laser procedure room, and has an open medical staff.

The project is to relocate the facility to a new site across the street from its current location. The relocated facility will expand significantly in square footage and will add a second operating room. Its surgical room complement at the new location will be two operating rooms and one procedure room.

Perimeter Surgery Center is currently located in leased office building space at 1059 Neal Street, Suite B, in Cookeville--which is just off the Perimeter Parkway in Cookeville. The facility proposes to move to new leased space on the first floor of a medical office building under construction across the Parkway, at 1125 Perimeter Park Drive.

The preliminary architectural design provides for building out 4,960 SF of usable space in the building. The new facility will include a five station pre- and post-operative area, a nursing station, two operating rooms, and a laser procedure room. Support spaces will include an entrance lobby and reception area, a business/administration area, file and equipment/supply storage areas, a physician office, a staff lounge, an equipment sterilization room, clean and soiled linen rooms, electrical and mechanical rooms, and patient and staff bathrooms.

Table A-3-a(1-A): Construction Costs of This Project			
	Renovated/Buildout Construction	New Construction	Total Project
Square Feet	4,960 USF	0	4,960 USF
Construction Cost*	\$1,240,000	0	\$1,240,000
Constr. Cost PSF	\$250	0	\$250

**The tenant improvement allowance in the lease will cover \$892,800 of the buildout cost, lowering the applicant's own share to \$347,200.*

Table A-3-a(1-B): Summary of Construction and Changes in Size	
	Total Square Feet
Facility Before Project	2,259 USF
Facility After Project	4,960 USF (+108%)
Area of New Construction	None
Area of Buildout or Renovation	4,960 USF

Because ophthalmologists must spend time in their clinics providing non-acute patient care, they cannot utilize eye surgery center operating rooms 8 hours a day five days per week. This small one-O.R. facility can be scheduled an average of 3.5 days per week currently. With a second O.R. the facility can be staffed an average of 4.0 days per week. The daily schedule is, and will continue to be, that surgeries will start at 8 am and end at 4:30 pm, with a half hour lunch break.

If granted CON approval in August 2017, the facility can be completed by mid- to late-CY 2018. Its first full calendar year of operation will be CY2019.

(2) Ownership Structure

Perimeter Surgery Center is owned by Clearer Vision, LLC, which has owned the facility since it received CON approval in 2001. The LLC's members and their interests are as follows. No change is proposed in their percentages of membership.

Stewart Galloway, M.D.	45%
Alissa Hudson, M.D.	35%
Steven Flatt, M.D.	20%

Of these members, only Dr. Galloway owns an interest in any other licensed facility in Tennessee. He is the majority owner of the LLC that is the licensee for Plateau Surgery Center, a single-specialty eye surgery center in the Fairfield Glade area of Cumberland County.

(3) Service area

Perimeter Surgery Center draws 85% of its patients from a 6-county primary service area. These contiguous counties are Putnam (where Perimeter Surgery Center is located), DeKalb, Jackson, Overton, Warren, and White.

(4) Existing similar service providers

There are no other single-specialty ambulatory eye surgery centers in the primary service area. In Putnam County, there are two multi-specialty ambulatory surgical treatment centers ("ASTC"). Neither ASTC lists ophthalmologists on the medical staff, or reported performing ophthalmology cases, in its 2016 Joint Annual Report.

There are no single-specialty or multi-specialty ambulatory surgical treatment centers licensed in the other five primary service area counties.

(5) Project cost

The cost for CON purposes is estimated at \$1,751,535. However, that includes the market value of the shell space being leased for the project. Excluding that, the actual capital cost of this project is estimated at \$845,463.

(6) - (7) Funding and Financial Feasibility

The applicant will be able to fund all of the actual project cost through a loan from First National Bank of Tennessee at Cookeville. That lender's letter of interest is in the Attachments to this application.

The facility is projected to operate with a positive cash flow and financial margin in Years One and Two. As an existing facility with existing contracts, the relocation will not require re-contracting with Federal, State, or commercial reimbursement contracts. There will be no waiting period to achieve a positive cash flow.

(8) Staffing

The facility will require 4.0 FTE's in its first year of operation, two more than at present.



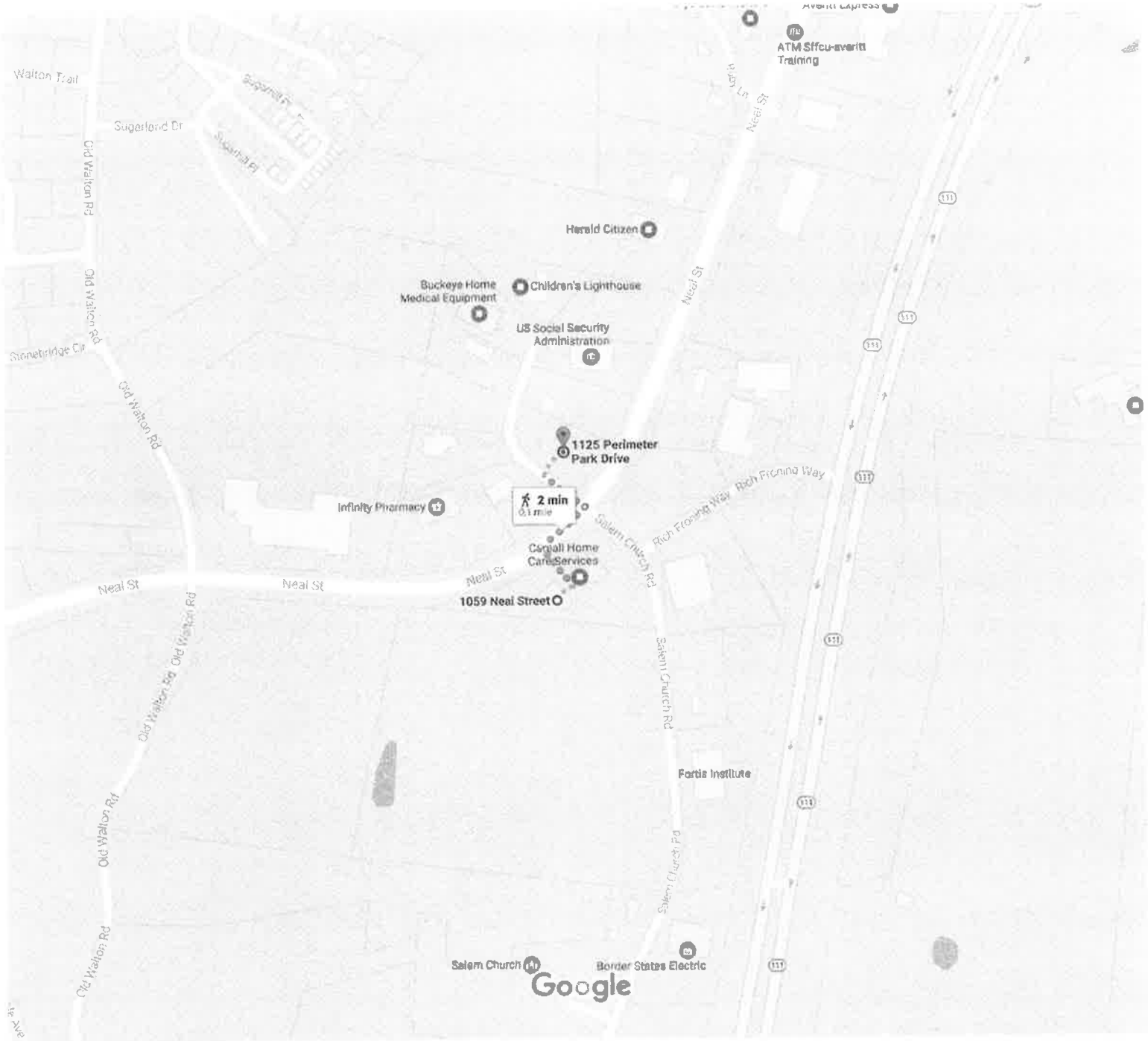
Map data ©2017 Google 2000 ft



via Neal St and Perimeter Park Dr

2 min

0.1 mile

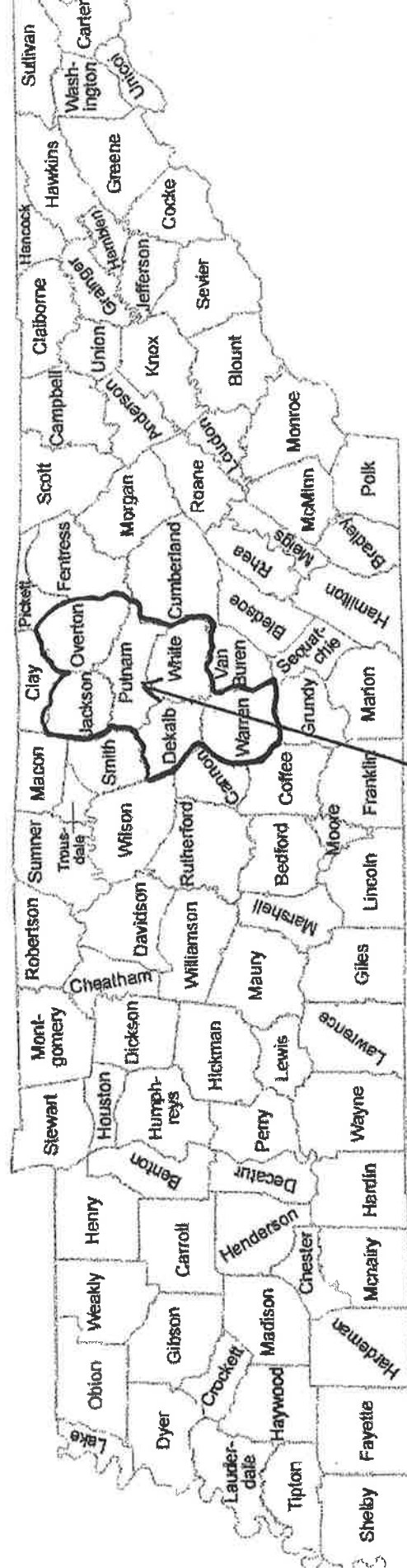


Map data ©2017 Google 200 ft



via Neal St and Perimeter Park Dr

2 min
0.1 mile



**PERIMETER SURGERY CENTER
PRIMARY SERVICE AREA**

b. Rationale for Approval

A certificate of need can only be granted when a project is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of adequate and effective health care in the service area. This section should provide rationale for each criterion using the data and information points provided in Section B of this application. Please summarize, in one page or less, each of the criteria.

(1) Need

There are three needs addressed by this relocation and expansion project. First, the Perimeter Surgery Center's support spaces are very undersized and need to be enlarged. But expansion space is not available in and around the small office building that the facility now occupies. Second, the service area needs an ambulatory surgery provider to expand its scope of service to include retinal surgery--which is not possible in the small one-O.R. space that Perimeter Surgery Center now occupies. Third, Perimeter Surgery Center needs more O.R. capacity to accommodate future caseloads and to make its surgeons' days more productive.

a. The Need to Expand Support Spaces

The present location has too little parking available for the steadily increasing numbers of patients who utilize Perimeter Surgery Center. The building has poor accessibility for wheelchair-bound patients. Once inside, the waiting room with its 14 seats is chronically crowded. On surgical days the waiting room needs 30 seats to meet the needs of arriving and waiting patients. From a staff perspective, there is not enough space to store equipment and supplies, so too much of that occupies wall and door space in corridors. The staff break room is too small.

b. The Need to Add Retinal Surgery

Although Cookeville is a regional healthcare hub for the many counties on the Cumberland Plateau, there is no retinal surgery available in the area. Patients seen by retinal surgeons in local clinics must be taken to Nashville or other cities for this important type of surgery. Such travel with impaired vision is not optimal and it can be challenging for the elderly.

Dr. Everton Arrindell, a Nashville retinal surgeon, comes to Cookeville up to two days per week to see patients in a clinic office; but if they need retinal surgery his patients must commute to Nashville. Dr. Arrindell is committed to offer these surgeries at Perimeter Surgery Center as soon as they can provide a second O.R. large enough to accommodate retinal surgery equipment, which their present O.R. cannot do.

As the first and oldest eye surgery center on the Plateau, Perimeter Surgery Center is strongly committed to meet the retinal surgery needs of area patients closer to their homes. This expansion of services to include retinal surgery will be a significant advance in ophthalmology services on the Cumberland Plateau. This project has been planned with that service in mind.

c. The Need to Add Operating Room Capacity

Perimeter Surgery Center has only one small operating room (O.R.), without piped gases. Eye surgeons must divide their time between clinic-based medical care and surgical cases in the O.R. Currently, schedule limitations of the three ophthalmologists on active staff make it possible to schedule cases in the O.R. only 3.5 days per week, on average. And only one surgeon can operate at a time. Currently, new cataract patients (86% of all cases) are waiting six weeks for their surgeries.

As shown in Section B of this application (see State Health Plan responses and B-Need-6 utilization data), Perimeter Surgery Center's cases have recently been increasing at 7% annually. The applicant is expecting growth to continue, with the aging service area population and the popularity of the Plateau area as a retirement center. The applicant projects continued case increases of 5% annually for its existing services through Year Five (CY2023) of this project, and also projects the addition of more than a hundred cases of retinal surgery annually, beginning in CY2019 (if two O.R.'s are available).

With O.R. availability now limited to 3.5 days a week and only one O.R., the O.R. is at 67% occupancy this year. With projected case increases it would theoretically reach 89% occupancy in CY2020. This is not sustainable. With the addition of a second O.R. at the new location, the surgical suite will be staffed 4 days per week, and will have ample room for all anticipated cases well beyond CY2023 (which is Year Five at the new location). With a new facility being constructed it makes sense to add the second O.R. now, before wait times become even more critical. And without it, the facility cannot offer retinal surgery.

(2) Economic Feasibility

The applicant currently has a positive cash flow and operating margin. The change in location and addition to operating room capacity will enable it to serve continuing increases in caseloads, including retinal surgeries that are not yet performed in the service area. It will continue to have a positive cash flow and positive operating margin, as indicated in the Projected Cost Chart in a later section of this application.

(3) Appropriate Quality Standards

The facility is already licensed. At its proposed new location, it will comply with all requirements of the Board for Licensing Health Care Facilities. It is currently accredited by the AAAHC (Accreditation Association for Ambulatory Healthcare). It will seek to continue that accreditation at the new location across Perimeter Parkway.

(4) Orderly Development of adequate and effective health care

This applicant was the first dedicated eye surgery ASTC on the Cumberland Plateau, opening in CY2001. It has operated in very modestly-sized leased space for sixteen years. Its caseloads are stressing the ability of its medical staff to offer routine eye surgery without asking

patients to wait six weeks for a needed cataract surgery. Perimeter Eye Surgery Center needs more O.R. capacity and more support space to continue to meet the needs of an ageing service area population. This relocation and expansion of O.R. capacity is an orderly and appropriate next step to provide service area patients with continuing ophthalmology care and a broader scope of service.

c. Consent Calendar Justification

If consent calendar is requested, please provide the rationale for an expedited review. A request for Consent Calendar must be in the form of a written communication to the Agency's Executive Director at the time the application is filed.

Not applicable. Consent calendar review is not requested.

SECTION A (CONTINUED): PROJECT DETAILS**4.a. Owner of the Facility, Agency, or Institution**

Clearer Vision, LLC	931-646-7058	
<i>Name</i>	<i>Phone Number</i>	
1059 Neal Street, Suite B	Putnam	
<i>Street or Route</i>	<i>County</i>	
Cookeville	TN	38501
<i>City</i>	<i>State</i>	<i>Zip Code</i>

b. Type of Ownership or Control (Check One)

A. Sole Proprietorship	<input type="checkbox"/>	F. Government (State of TN or Political Subdivision)	<input type="checkbox"/>
B. Partnership	<input type="checkbox"/>	G. Joint Venture	<input type="checkbox"/>
C. Limited Partnership	<input type="checkbox"/>	H. Limited Liability Company	<input checked="" type="checkbox"/>
D. Corporation (For-Profit)	<input type="checkbox"/>	I. Other (Specify):	<input type="checkbox"/>
E. Corporation (Not-for-Profit)	<input type="checkbox"/>		

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the TN Secretary of State's website <https://tnbear.tn.gov/Ecommerce/FilingSearch.aspx>.

See Attachment Section A-4A.

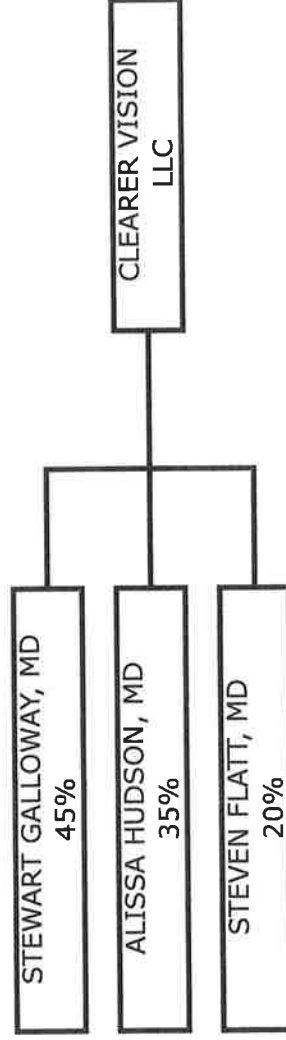
Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% ownership (direct or indirect) interest.

Perimeter Surgery Center is owned by Clearer Vision, LLC, which has owned the facility since it received CON approval in 2001. The LLC's members and their interests are as follows. No change is proposed in their percentages of membership.

Stewart Galloway, M.D.	45%
Alissa Hudson, M.D.	35%
Steven Flatt, M.D.	20%

Of these members, only Dr. Galloway owns an interest in any other licensed facility in Tennessee. He is the majority owner of the LLC that is the licensee for Plateau Surgery Center, a single-specialty eye surgery center in the Fairfield Glade area of Crossville, Cumberland County.

PERIMETER SURGERY CENTER OWNERSHIP



5a. Name of Management/Operating Entity (If Applicable)

Not Applicable. The facility is, and will continue to be, member-managed.

Name

Street or Route

County

City

State

Zip Code

Website Address

For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment methodology and schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract.

Not applicable. The facility will be member-managed.

6a. Legal Interest in the Site of the Institution (Check One)

A. Ownership		D. Option to Lease	
B. Option to Purchase		E. Other (Specify):	
C. Lease of 60 Months (5 years)	X		

Check appropriate line above: For applicants or applicant's parent company/owner that currently own the building/land for the project location, attach a copy of the title/deed. For applicants or applicant's parent company/owner that currently lease the building/land for the project location, attach a copy of the fully executed lease agreement. For projects where the location of the project has not been secured, attach a fully executed document including Option to Purchase Agreement, Option to Lease Agreement, or other appropriate documentation. Option to Purchase Agreements must include anticipated purchase price. Lease/Option to Lease Agreements must include the actual/anticipated term of the agreement and actual/anticipated lease expense. The legal interests described herein must be valid on the date of the Agency's consideration of the certificate of need application.

See Attachment Section A-6a.

6b. Attach a copy of the site's plot plan, floor plan, and if applicable, public transportation route to and from the site, on an 8.5" X 11 sheet of white paper, single-sided. Do not submit blueprints. Simple line drawings should be submitted and need not be drawn to scale.

(1) Plot Plan must include:

- a. Size of site (in acres);
- b. Location of structure on the site;
- c. Location of the proposed construction/renovation; and
- d. Names of streets, roads, or highways that cross or border the site.

See Attachment Section A-6b-1.

(2) Attach a floor plan drawing for the facility, which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. On an 8.5" X 11" sheet of paper or as many as necessary to illustrate the floor plan.

See Attachment Section A-6b-2.

(3) Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

The table below shows the accessibility of the project site to the principal communities in the six service area counties. The average drive time from the project site to those cities is 26.5 minutes.

These communities are linked to Cookeville by good Federal and State highways. These include US highways 70 and 70S, I-40, and State highways 56 and 111.

Although Cookeville has a municipal transit authority with buses serving downtown areas, it does not currently have a bus line along Perimeter Parkway that would take patients to the current or proposed project site. Patients will continue to arrive by private vehicle.

Table A-6-b(3): Mileage and Drive Times Between Project Site in Cookeville and Major Communities in the Service Area			
City	County	Distance	Drive Time
Cookeville (Center)	Putnam	2.3 miles	6 minutes
Smithville	DeKalb	29.1 miles	33 minutes
Gainesboro	Jackson	26.0 miles	30 minutes
Livingston	Overton	20.3 miles	23 minutes
McMinnville	Warren	43.8 miles	47 minutes
Sparta	White	17.0 miles	20 minutes
Average Drive Time			26.5 minutes

Source: Google Maps, May, 2017.

7. Type of Institution (Check as appropriate—more than 1 may apply)

A. Hospital (Specify):		H. Nursing Home	
B. Ambulatory Surgical Treatment Center (ASTC) Multi-Specialty		I. Outpatient Diagnostic Center	
C. ASTC, Single Specialty	x	J. Rehabilitation Facility	
D. Home Health Agency		K. Residential Hospice	
E. Hospice		L. Non-Residential Substitution-Based Treatment Center for Opiate Addiction	
F. Mental Health Hospital		M. Other (Specify):	
G. Intellectual Disability Institutional Habilitation Facility ICFF/IID			

8. Purpose of Review (Check as appropriate—more than 1 may apply)

A. New Institution		F. Change in Bed Complement <i>Please note the type of change by underlining the appropriate response: Increase, Decrease, Designation, Distribution, Conversion, Relocation</i>	
B. Modifying an ASTC with limitation still required per CON		G. Satellite Emergency Department	
C. Addition of MRI Unit		H. Change of Location	x
D. Pediatric MRI		I. Other (Specify):	
E. Initiation of Health Care Service as defined in TCA Sec 68-11-1607(4) (Specify)			

9. Medicaid/TennCare, Medicare Participation

MCO Contracts (Check all that apply):			
<input checked="" type="checkbox"/> Amerigroup <input checked="" type="checkbox"/> United Healthcare Community Plan <input checked="" type="checkbox"/> BlueCare <input checked="" type="checkbox"/> TennCare Select (These are current contracts of the practice. The ASC will have contracts with all of these.)			
Medicare Provider Number: 32088083			
Medicaid Provider Number: 32088083			
Certification Type: Ambulatory Surgical Treatment Center			
If a new facility, will certification be sought for Medicare or for Medicaid/TennCare?			
Medicare	Yes	No	N/A <input checked="" type="checkbox"/>
Medicaid/TennCare	Yes	No	N/A <input checked="" type="checkbox"/>

10. Bed Complement Data

Not applicable; the project does not include, or affect, any facility beds.

a. Please indicate current and proposed distribution and certification of facility beds.)

	Beds Currently Licensed	Beds Staffed	Beds Proposed	*Beds Approved	**Beds Exempt	TOTAL Beds at Completion
1. Medical						
2. Surgical						
3. ICU/CCU						
4. Obstetrical						
5. NICU						
6. Pediatric						
7. Adult Psychiatric						
8. Geriatric Psychiatric						
9. Child/Adolescent Psychiatric						
10. Rehabilitation						
11. Adult Chemical Dependency						
12. Child/Adolescent Chemical Dependency						
13. Long-Term Care Hospital						
14. Swing Beds						
15. Nursing Home SNF (Medicare Only)						
16. Nursing Home NF (Medicaid Only)						
17. Nursing Home SNF/NF (dually certified MCare/Maid)						
18. Nursing Home- Licensed (Noncertified)						
19. ICF/IID						
20. Residential Hospice						
TOTAL						

* Beds approved but not yet in service

** Beds exempted under 10%/3 yrs provision

b. Describe the reasons for change in bed allocations and describe the impact the bed changes will have on the applicant facility's existing services.

Not applicable. This project does not include inpatient beds.

c. Please identify all the applicant's outstanding Certificate of Need projects that have a licensed bed change component. If applicable, complete the chart below.

The applicant has no outstanding Certificates of Need.

11. Home Health Care Organizations – Home Health Agency, Hospice Agency (excluding Residential Hospice), identify the following by checking all that apply:

Not applicable. This is not a home health services application.

	Existing Licensed County	Parent Office County	Proposed Licensed County		Existing Licensed County	Parent Office County	Proposed Licensed County
Anderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lauderdale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bedford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lawrence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lewis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bledsoe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lincoln	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Blount	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Loudon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bradley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	McMinn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Campbell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	McNairy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cannon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Macon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carroll	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Madison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Marion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cheatham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Marshall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chester	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Maury	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Claiborne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Meigs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monroe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cocke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Montgomery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Coffee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Moore	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Crockett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Morgan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cumberland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Obion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Davidson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Overton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decatur	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Perry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DeKalb	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pickett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dickson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Polk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dyer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Putnam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fayette	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Rhea	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fentress	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Roane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Franklin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Robertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gibson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Rutherford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Giles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Scott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grainger	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sequatchie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Greene	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sevier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grundy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Shelby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hamblen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hamilton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Stewart	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hancock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sullivan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hardeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sumner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hardin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Tipton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hawkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Trousdale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Haywood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unicoi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Union	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Van Buren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hickman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Warren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Houston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Washington	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Humphreys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Wayne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jackson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Weakley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jefferson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	White	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Johnson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Williamson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Knox	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lake	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

12. Square Footage and Cost Per Square Footage Chart

Perimeter Surgery Center--Space and Cost of Applicant's Build-Out, Before Tenant Improvement Allowance

Unit/Department	Existing Location	Existing SF	Temporary Location	Proposed Final Location	Proposed Final Square Footage		
					Buildout or Renovation	New	Total
ASTC		2,259			4,960	0	4,960
							0
							0
							0
Unit/Dept SF Subtotal		2,259			4,960	0	4,960
Other SF Subtotal					0	0	0
Total SF		2,259			4,960	0	4,960
Total Cost					\$1,240,000.00	\$0.00	\$1,240,000.00
Cost Per Square Foot							\$250.00
HSDA REGISTRY DOES NOT HAVE CURRENT DATA ON QUARTILE CONSTRUCTION COSTS FOR ASTC'S					Below 1st Quartile	Below 1st Quartile	Below 1st Quartile
Cost per Square Foot is Within Which Range?					Between 1st and 2nd Quartile	Between 1st and 2nd Quartile	Between 1st and 2nd Quartile
					Between 2nd and 3rd Quartile	Between 2nd and 3rd Quartile	Between 2nd and 3rd Quartile
					Above 3rd Quartile	Above 3rd Quartile	Above 3rd Quartile

(For quartile ranges, please refer to the Applicant's Toolbox on www.tn.gov/hsda)

* The Total Construction Cost should equal the Construction Cost reported on line A5 of the Project Cost Chart.

** Cost per Square Foot is the construction cost divided by the square feet. Please do not include contingency costs.

ARCHITECT SHOULD ENTER COST PSF ONLY FOR NEW AND RENOVATED COLUMNS; THE TOTAL COST PSF COLUMN CALCULATES AUTOMATICALLY.

13. MRI, PET, and/or LINEAR ACCELERATOR

Not applicable. No such equipment is included in this project.

Describe the acquisition of any Magnetic Resonance Imaging (MRI) scanner that is adding an MRI scanner in counties with population less than 250,000, or is initiating pediatric MRI in counties with population greater than 250,000, and/or describe the acquisition of any Positron Emission Tomography (PET) unit or Linear Accelerator unit if initiating the service by responding to the following:

a. Complete the Chart below for acquired equipment.

LINEAR ACCELERATOR	
Mev:	Total Cost*: \$
Types: (indicate one)	By Purchase? _____
SRS	By Lease? _____
IMRT	
IGRT	Expected Useful Life (yrs): _____
Other :	New? _____
	Refurbished? _____
	If not new, how old (Yrs)? _____

MRI	
Tesla:	Total Cost*: \$
Magnet: (indicate one)	By Purchase? _____
Breast	By Lease? _____
Extremity?	
Open?	Expected Useful Life (yrs): _____
Short Bore?	New? _____
Other --	Refurbished? _____
	If not new, how old (Yrs)? _____

PET	
PET Only? _____	Total Cost*: \$
	By Purchase? _____
PET/CT? _____	By Lease? _____
PET/MRI? _____	Expected Useful Life (yrs): _____
	New? _____
	Refurbished? _____
	If not new, how old (Yrs)? _____

**As defined by Agency Rule 0720-9-.01(13)*

b. In the case of equipment purchase, include a quote and/or proposal from an equipment vendor. In the case of equipment lease, provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments along with the fair market value of the equipment.

Not applicable. No major medical equipment is included in the project.

c. Compare the lease cost of the equipment to its fair market value. Note: Per Agency rule, the higher cost must be identified in the project cost chart.

Not applicable. No major medical equipment is included in the project.

d. Schedule of Operations:

Not applicable; this is not a mobile service.

Location	Days of Operation (Sun-Sat)	Hours of Operation
Fixed Site (Applicant)		
Mobile Locations		
Applicant		
Name of other location		

e. Identify the clinical applications to be provided, that apply to the project.

The facility will provide outpatient ophthalmology procedures, including oculoplastic and retinal surgeries.

f. If the equipment has been approved by the FDA within the past five years, provide documentation of the same.

Not applicable; the project does not include major medical equipment.

SECTION B: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with T.C.A. § 68-11-1609(b), “no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of health care.” Further standards for guidance are provided in the State Health Plan developed pursuant to T.C.A. § 68-11-1625.

The following questions are listed according to the four criteria: (1) Need, (2) Economic Feasibility, (3) Applicable Quality Standards, and (4) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. *Please type each question and its response on an 8 1/2" x 11" white paper, single-sided.* All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer, unless specified otherwise. *If a question does not apply to your project, indicate “Not Applicable (NA).”*

SECTION B--NEED

1. Provide a response to each criterion and standard in Certificate of Need categories in the State Health Plan that are applicable to the proposed project. Criteria and standards can be obtained from the THSDA or found on the agency’s website at <http://tjn.gov/hsda/article/hsda-criteria-and-standards>.

STATE HEALTH PLAN CERTIFICATE OF NEED STANDARDS AND CRITERIA FOR AMBULATORY SURGICAL TREATMENT CENTERS (2012)

Assumptions in Determination of Need

The need for an ambulatory surgical treatment center shall be based upon the following assumptions:

1. Operating Rooms

a. An operating room is available 250 days per year, 8 hours per day.

The Perimeter Eye Surgery Center is utilized for surgery on 3.5 days per week, on average, for 8 hours per day, with surgeries scheduled from 8 am through 4:30 pm with a half hour lunch break. With this project, with increasing caseloads, it will schedule cases as needed, on 4.0 days per week, 8 hours per day, from 8 am through 4:30 pm with a half hour lunch break.

- b. The estimated average time per Case in an Operating Room is 65 minutes.
- c. The average time for clean up and preparation between Operating Room Cases is 30 minutes.

For an eye surgery center, these case times average less than 95 minutes. See the tables below for Perimeter Surgery Center's time requirements.

Table B-Need-State Health Plan 1c: Surgical Minutes Per Case By Type of O.R. Case Perimeter Surgery Center			
Type of Surgery	Surgical Minutes	Room Clean Minutes	Total Case Minutes
Retinal	50"	25"	75"
Cataract	8"	12"	20"
Blepharoplasty	40"	20"	60"

- d. The optimum utilization of a dedicated, outpatient, general-purpose Operating Room is 70% of full capacity. $70\% \times 250 \text{ days/year} \times 8 \text{ hours/day} \text{ divided by } 95 \text{ minutes} = 884 \text{ Cases per year.}$

In CY2016, this facility performed 2,442 eye surgery cases in its single O.R. The facility projects demand for 3,423 O.R. cases in CY2020.

Calculated in terms of O.R. time requirements for eye surgery, the following tables show that the single O.R. is operating close to the 70% efficiency target this year, and that if O.R. capacity is not increased, that O.R. would have to operate at 89% efficiency by CY2020 to meet patient needs. This justifies the addition of a second O.R. in the relocation project.

Table B-Need-State Health Plan 1c :Utilization of O.R. Surgical Capacity With One O.R. on 3.5 Days/Week			
	CY2017	Yr 1-CY2019	Yr 2-CY2020
Annual Minutes Available (3.5 days/week)	84,000"	84,000"	84,000"
Surgical Minutes Required	56,400"	70,442"	74,677"
Utilization of O.R.	67%	84%	89%

*1 O.R = 60 minutes X 8 hours per day X 50 weeks =24,000 minutes per day per week
3.5 days per week: 84,000 minutes

Table B-Need-State Health Plan 1d :Utilization of O.R. Surgical Capacity With Two O.R.'s 4.0 Days/Week			
	CY2017	Yr 1-CY2019	Yr 2-CY2020
Annual Minutes Available	84,000"	192,000"	192,000"
Surgical Minutes Required	56,400"	70,442"	74,677"
Utilization of O.R.	67%	37%	39%

*1 O.R = 60 minutes X 8 hours per day X 50 weeks =24,000 minutes per day per week
3.5 days per week: 84,000 minutes

4.0 days per week: 96,000 minutes

2. Procedure Rooms

This section is probably not applicable because the existing facility already has one procedure room, and the proposed facility will not add a second one. One laser procedure room is needed for any eye surgery center to do laser touchups, following many cataract procedures that are performed in the operating room.

a. A procedure room is available 250 days per year, 8 hours per day.

The Perimeter Eye Surgery Center is utilized for surgery on 3.5 days per week, on average, for 8 hours per day. With this project, with increasing caseloads, it will schedule cases as needed, on 4.0 days per week, 8 hours per day. This schedule pertains to the procedure room cases as well as to the operating room cases.

b. The estimated average time per outpatient Case in a procedure room is 30 minutes.

c. The average time for clean up and preparation between Procedure Room Cases is 15 minutes.

Eye surgery laser procedures in the Perimeter Surgery Center procedure room average less than 45 minutes total case plus room cleaning time.

d. The optimum utilization of a dedicated, outpatient, general-purpose outpatient Procedure Room is 70% of full capacity. $70\% \times 250 \text{ days/year} \times 8 \text{ hours/day}$ divided by 45 minutes = 1867 Cases per year.

The procedure room is projected to perform only 363 touchup cases in Year Two. In this type of facility, the volume in a laser procedure room is only a small percentage of cataract cases.

Determination of Need

1. Need. The minimum numbers of 884 Cases per Operating Room and 1867 Cases per Procedure Room are to be considered as baseline numbers for purposes of determining Need. An applicant should demonstrate the ability to perform a minimum of 884 Cases per Operating Room and/or 1867 Cases per Procedure Room per year, except that an applicant may provide information on its projected case types and its assumptions of estimated average time and clean up and preparation time per Case if this information differs significantly from the above-stated assumptions. It is recognized that an ASTC may provide a variety of services/Cases and that as a result the estimated average time and clean up and preparation time for such services/Cases may not meet the minimum numbers set forth herein. It is also recognized that an applicant applying for an ASTC Operating Room(s) may apply for a Procedure Room, although the anticipated utilization of that Procedure Room may not meet the base guidelines contained here. Specific reasoning and explanation for the inclusion in a CON application of such a Procedure Room must be provided. An applicant that desires to limit its Cases to a specific type or types should apply for a Specialty ASTC.

The applicant is proposing to relocate an existing surgical facility and to add one operating room at that time, for a total of two operating rooms and one procedure room.

The facility's single O.R. performed 2,442 cases in CY2016, exceeding the 1,867-case standard for adding O.R. capacity. It will continue to perform more than the standard. Please see the response to criterion #2 immediately below, for case projections and the need for more O.R. capacity based on case times.

2. Need and Economic Efficiencies. An applicant must estimate the projected surgical hours to be utilized per year for two years based on the types of surgeries to be performed, including the preparation time between surgeries. Detailed support for estimates must be provided.

The tables on the following pages show the facility's historic and projected O.R. cases, O.R. time requirements, and O.R. occupancy.

The proposed additional operating room in this project is justified based on the fact that the existing room will exceed 70% occupancy in CY2018, based on actual time requirements for eye surgery cases by type.

Please note that the State Plan review criteria do not require that the entire O.R. suite must reach 70% utilization in Year Two.

It would be inappropriate to plan an expensive healthcare facility with only as much capacity as would be 70% full within twenty-four months of completion. Acute care construction planning rarely, if ever, adopts such a short time horizon.

Table B-Need-State Health Plan 2A: Historic and Projected Utilization Perimeter Surgery Center CY2014-CY2023					
Calendar Year	Operating Room Cases			Procedure Room Cases	Facility Total Cases
	Retinal Cases	Other Cases (Cataracts, Blephs, etc.)	O.R. Cases Subtotal		
2014	0	2,155	2,155	239	2,394
2015	0	2,308	2,308	244	2,552
2016	0	2,442	2,442	298	2,740
2017	0	2,564	2,564	313	2,877
2018	0	2,692	2,692	329	3,021
Yr 1-2019	110	2,827	2,937	345	3,282
Yr 2-2020	125	2,968	3,093	363	3,456
Yr 3-2021	140	3,117	3,257	381	3,638
Yr 4-2022	150	3,272	3,423	400	3,822
Yr 5-2023	160	3,436	3,596	420	4,016

Source: Facility historical case records and JAR's. Retinal cases projected by retinal surgeon. Other O.R. cases and procedure room cases are projected to increase 5% per year after 2016. Growth in 2014 through 2016 averaged 7% annually.

Table B-Need-State Health Plan 2B: Average O.R. Minutes Required for O.R/ Cases Perimeter Surgery Center			
Type of Surgery	Surgery Minutes	Room Cleaning Minutes	Total Case Minutes
Retinal Cases	50"	25"	75"
Cataracts	8"	12"	20"
Blepharoplasties	40"	20"	60"

Table B-Need-State Health Plan 2C: Utilization of O.R. Surgical Capacity With One O.R. on 3.5 Days/Week			
	CY2017	Yr 1-CY2019	Yr 2-CY2020
Annual Minutes Available (3.5 days/week)	84,000"	84,000"	84,000"
Surgical Minutes Required	56,400"	70,442 "	74,677"
Utilization of O.R.	67%	84%	89%

Table B-Need-State Health Plan 2D: Utilization of O.R. Surgical Capacity With Two O.R.'s 4.0 Days/Week in CY2019-CY2020			
	CY2017 (1 O.R.)	Yr 1-CY2019 (2 O.R.s)	Yr 2-CY2020 (2 O.R.'s)
Annual Minutes Available	84,000"	192,000"	192,000"
Surgical Minutes Required	56,400"	70,442 "	74,677"
Utilization of O.R.	67%	37%	39%

*1 O.R = 60 minutes X 8 hours per day X 50 weeks =24,000 minutes per day per week

3.5 days per week: 84,000 minutes per O.R.

4.0 days per week: 96,000 minutes per O.R.

Table B-Need-State Health Plan 2E: Projected Operating Room Cases and Minutes Required*

Perimeter Surgery Center CY2016-CY2023

	2016	2017	2018	Year One 2019	Year Two 2020	Year Three 2021	Year Four 2022	Year Five 2023
Retinal								
Cases	0	0	0	110	125	140	150	160
Minutes	0	0	0	8,250	9,375	10,500	11,250	12,000
Cataracts								
Cases	2,320	2,436	2,558	2,686	2,820	2,961	3,109	3,264
Minutes	46,398	48,718	51,154	53,711	56,397	59,217	62,178	65,287
Blepharoplasty								
Cases	122	128	135	141	148	156	164	172
Minutes	7,326	7,692	8,077	8,481	8,905	9,350	9,818	10,308
Total in O.R.								
Cases	2,442	2,564	2,692	2,937	3,093	3,257	3,423	3,596
Minutes	53,724	56,410	59,231	70,442	74,677	79,067	83,245	87,595

* Average Total Minutes Per Case: Retinal @ 75"; Cataract @ 20"; Blepharoplasty @ 60".

Source: Retinal case projections from retinal specialist on staff; Other cases projected at 5% annual increase.

Minutes Available 3.5 Days/Week	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
One O.R.'s	64%	67%	71%	84%	89%	94%	99%	104%
Utilization %								

Minutes Available 4.0 Days/Week				192,000	192,000	192,000	192,000	192,000
Two O.R.'s				37%	39%	41%	43%	46%
Utilization %								

* 1 O.R. = 60 minutes X 8 hours per day X 50 weeks = 24,000 minutes per day per week
 3.5 days = 84,000 minutes per year per O.R.; 4.0 days = 96,000 minutes per year per O.R.

3. Need; Economic Efficiencies; Access. To determine current utilization and need, an applicant should take into account both the availability and utilization of either: a) all existing outpatient Operating Rooms and Procedure Rooms in a Service Area, including physician office based surgery rooms (when those data are officially reported and available) OR b) all existing comparable outpatient Operating Rooms and Procedure Rooms based on the type of Cases to be performed. Additionally, applications should provide similar information on the availability of nearby out-of-state existing outpatient Operating Rooms and Procedure Rooms, if that data are available, and provide the source of that data. Unstaffed dedicated outpatient Operating Rooms and unstaffed dedicated outpatient Procedure Rooms are considered available for ambulatory surgery and are to be included in the inventory and in the measure of capacity.

The responses to criteria 4 and 5 below provide an inventory of all existing comparable ambulatory surgical facilities in the project's service areas. The responses provide their utilization data and occupancies. Please see those sections for further information.

The applicant knows of no nearby out-of-State surgical rooms, or rooms unstaffed or unimplemented, that would be available to residents of the project service area for ASTC-level eye surgery.

4. Need and Economic Efficiencies. An applicant must document the potential impact that the proposed new ASTC would have upon the existing service providers and their referral patterns. A CON application to establish an ASTC or to expand existing services of an ASTC should not be approved unless the existing ambulatory surgical services that provide comparable services regarding the types of Cases performed, if those services are known and relevant, within the applicant's proposed Service Area or within the applicant's facility are demonstrated to be currently utilized at 70% or above.

a. Occupancy of The Applicant's Facility

As shown in the preceding questions of this section, the applicant's single operating room will be utilized at 68% of its available, schedulable time this calendar year. Although that is not yet 70% efficiency, it is very close to it. And conservative projections of future cases indicate a 71% occupancy just next year, while the replacement facility will be under construction. It would be reasonable to grant approval for a second O.R. in this application, so that the facility can be opened in late 2018 with adequate O.R. capacity for the future.

The alternative would not be reasonable. In CY2019, Year One at the new location, if a second O.R. cannot be added the facility will have to utilize its one O.R. at 84% of schedulable time. This suggests that approval of this CON application would not be premature.

b. Occupancy of Other Comparable Facilities in the Service Area

In the six-county primary service area there are no comparable facilities. This is the only single-specialty ophthalmology ASTC in the six counties.

There are two other surgery centers in the service area but they are multi-specialty, and neither one's 2016 Joint Annual Report lists ophthalmologists on the medical staff or reports performing any ophthalmology procedures. So this project will not adversely impact any other facility in its primary service area.

The project is the primary service area's only significant eye surgery resource. The project will be adding to the scope of services that can be offered to area patients, while also reducing their waiting times for cataract surgery.

5. Need and Economic Efficiencies. An application for a Specialty ASTC should present its projections for the total number of cases based on its own calculations for the projected length of time per type of case, and shall provide any local, regional, or national data in support of its methodology. An applicant for a Specialty ASTC should provide its own definitions of the surgeries and/or procedures that will be performed and whether the Surgical Cases will be performed in an Operating Room or a Procedure Room. An applicant for a Specialty ASTC must document the potential impact that the proposed new ASTC would have upon the existing service providers and their referral patterns. **A CON proposal to establish a Specialty ASTC or to expand existing services of a Specialty ASTC shall not be approved unless the existing ambulatory surgical services that provide comparable services regarding the types of Cases performed within the applicant's proposed Service Area or within the applicant's facility are demonstrated to be currently utilized at 70% or above. An applicant that is granted a CON for a Specialty ASTC shall have the specialty or limitation placed on the CON.**

The applicant will perform only outpatient ophthalmology cases.

The applicant's projected cases by type of case and by surgical room location, the methodologies for projections, and an analysis of time requirements for the projected cases, have been provided in response to criterion #2 above.

The utilization of the applicant's facilities and the lack of comparable services in the primary service area is discussed in response to criterion #4 above.

Other Standards and Criteria

6. Access to ASTCs. The majority of the population in a Service Area should reside within 60 minutes average driving time to the facility.

Complies. See drive time tables in Section B.III.B.1 above. The primary service area population lives within less than a half hour's drive time of the project site. The average drive time from communities in the service area to the project site in Cookeville is only 26.5 minutes.

7. Access to ASTCs. An applicant should provide information regarding the relationship of an existing or proposed ASTC site to public transportation routes if that information is available.

There is no bus service available to the project site at this time, although Cookeville itself has a municipal transit authority that has two bus routes around downtown sites of interest in central Cookeville.

8. Access to ASTCs. An application to establish an ambulatory surgical treatment center or to expand existing services of an ambulatory surgical treatment center must

- project the origin of potential patients by percentage and county of residence and, if such data are readily available, by zip code, and
- must note where they are currently being served.
- Demographics of the Service Area should be included, including the anticipated provision of services to out-of-state patients, as well as
- the identity of other service providers both in and out of state and the source of out-of-state data. Applicants shall document all other provider alternatives available in the Service Area.
- All assumptions, including the specific methodology by which utilization is projected, must be clearly stated.

Patient Origin:

The Perimeter Surgery Center's current patient origin experience should not change when it relocates to a nearby site. The table below uses current patient origin percentages to forecast patient origin by primary service area county, in the first two years of operation at the new location.

Table B-Need-State Health Plan-8: Projected Patient Origin Horizon Surgery Center			
County of Origin	Current and Projected Percent of Total Cases	Year One Ophthalmology Cases (2019)	Year Two Ophthalmology Cases (2020)
Putnam	43.0%	1,411	1,486
White	17.0%	558	588
Overton	12.0%	394	415
Jackson	5.0%	164	173
Warren	4.0%	131	138
DeKalb	4.0%	131	138
<i>(Subtotal of PSA)</i>	85.0%	2,790	2,938
Other States & Cos*	15.0%	492	518
Grand Total		3,282	3,456

*Less than 4%.

Source: Facility records, 2016.

Where These Patients Are Now Served:

These patients are being served by Perimeter Surgery Center, which is the only ambulatory eye surgery facility in its six-county primary service area.

Service Area Demographics:

This is provided in Table B-Need-4A(2) of the application.

Service Area Providers:

They are identified in the responses to Section B-Need-State Health Plan-4, located above in this section. The service area has only three ASTC's, all of them in Putnam County. The applicant's facility is the only one offering eye surgery. The other two are multi-specialty ASTC's focusing on other types of surgery. According to their 2016 Joint Annual Reports, neither performs ophthalmology services or has an ophthalmologist on its medical staff.

Assumptions--Each section's responses identifies its assumptions and sources of data.

9. Access and Economic Efficiencies. An application to establish an ambulatory surgical treatment center or to expand existing services of an ambulatory surgical treatment center must project patient utilization for each of the first eight quarters following completion of the project. All assumptions, including the specific methodology by which utilization is projected, must be clearly stated.

The quarterly projection table below distributes the annual case projections made in other sections of this application.

The quarterly distribution is an estimate, with the assumption that case increases in the winter months will be less than at other times of the year.

Table B-Need-State Health Plan-9: Perimeter Surgery Center Year One and Year Two Projected Cases by Quarter					
	Q1 Cases	Q2 Cases	Q3 Cases	Q4 Cases	Total
2019	810	820	822	830	3,282
change	--	+10	+12	+8	
2020	842	855	874	885	3,456
change	+12	+13	+19	+11	

10. Patient Safety and Quality of Care; Health Care Workforce.

a. An applicant should be or agree to become accredited by any accrediting organization approved by the Centers for Medicare and Medicaid Services, such as the Joint Commission, the Accreditation Association of Ambulatory Health Care, the American Association for Accreditation of Ambulatory Surgical Facilities, or other nationally recognized accrediting organization.

The applicant has AAAHC-accreditation and will seek to maintain it in all future years.

b. An applicant should estimate the number of physicians by specialty that are expected to utilize the facility and the criteria to be used by the facility in extending surgical and anesthesia privileges to medical personnel. An applicant should provide documentation on the availability of appropriate and qualified staff that will provide ancillary support services, whether on- or off-site.

Perimeter Surgery Center has three ophthalmologists on its active medical staff currently. A fourth ophthalmologist--a Nashville retinal surgeon who sees clinic patients in Cookeville every week--will join the staff once the facility opens a second operating room at its new location. The facility requires all medical staff to be appropriately educated and trained, and to have or be eligible to have Board certification in their specialty.

Anesthesia is now, and will continue to be, provided by CRNA's (nurse anesthetists) who are not employees, but rather bill for their own services. They are required to be in network with all area TennCare MCO's to mirror the network of the surgery center.

11. Access to ASTCs. In light of Rule 0720-11.01, which lists the factors concerning need on which an application may be evaluated, and Principle No. 2 in the State Health Plan, *"Every citizen should have reasonable access to health care,"* the HSDA may decide to give special consideration to an applicant:

a. **Who is offering the service in a medically underserved area as designated by the United States Health Resources and Services Administration;**

Parts of all these rural service area counties are designated as medically underserved areas. They are identified in Attachment C-Need-1.A.

b. **Who is a "safety net hospital" or a "children's hospital" as defined by the Bureau of TennCare Essential Access Hospital payment program;**

Not applicable.

c. **Who provides a written commitment of intention to contract with at least one TennCare MCO and, if providing adult services, to participate in the Medicare program;**

The applicant so commits. The applicant contracts with Medicare and all area TennCare MCO's and will seek to remain so.

d. **Who is proposing to use the ASTC for patients that typically require longer preparation and scanning times. The applicant shall provide in its application information supporting the additional time required per Case and the impact on the need standard.**

Not applicable. The applicant's case times are not longer than the criteria.

(END OF RESPONSES TO STATE HEALTH PLAN CRITERIA FOR ASTC'S)

SECTION B--NEED continued

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any, and how it relates to previously approved projects of the applicant.

The Perimeter Surgery Center has had only one prior CON approval, in 1999, which was to establish itself as the service area's first single-specialty ASTC and the first ophthalmology ASTC. Perimeter Surgery Center's proposed relocation is simply to achieve adequate surgical and support space to continue to serve a steadily increasing number of area residents who need eye surgery, and to offer retinal surgery to them for the first time.

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map for the Tennessee portion of the service area, using the map on the following page, clearly marked to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the bordering states, if applicable.

The map of the primary service area is provided after this page, and in Attachment Section B-Need-3. The applicant is located in Cookeville, in Putnam County, central to the six-county service area of the surgery center. Its location will change very little as a result of this project. The new site is across the street, literally, from the current location, and within a minutes' drive.

All the service area counties are within an appropriate drive time for an ambulatory surgery center. The average drive time between the project site and the largest communities in all six counties is 26.5 minutes.

3. (Continued) Please complete the following tables, if applicable:

The applicant does not have data on the service area counties' use of area facilities for ophthalmology procedures. There is not a publicly available source for this data.

Service Area Counties	Historical Utilization by County Residents	% of Total Procedures
Totals		

4a(1). Describe the demographics of the population to be served by the proposal.

The six-county primary service area has a total population of 205,503 currently. This is projected to increase by 3.6% over the next four years, to 212,698. But for an ophthalmology project like this one, most of the target population is the group 50+ years of age, where there is a high incidence of vision problems, many of which will require eye surgery.

In this project's primary service area, the 50+ population will increase 7.6% over the next four years--more than twice as fast as the 3.6% increase in the total population. In addition, this is a relatively aged service area, whose median age is 40.8 years, compared to the State average of 37.6 years. And in CY2020 the service area's 50+ age cohort will be almost 41% of the total population, compared to 38% in the Statewide population.

This is also a lower-income area in relation to the State averages. It has an average median income 35% below that of the State of Tennessee. It has higher poverty (a rate of 22.9% compared to 15.5% Statewide). It has higher TennCare enrollments (24.2% compared to 21.5% Statewide).

4a(2). Using current and projected population data from the Department of Health, the most recent enrollee data from the Bureau of TennCare, and demographic information from the U.S. Census Bureau, complete the following table and include data for each county in your proposed service area.

Projected Population Data:

<http://www.tn.gov/health/article/statistics-population>

TennCare Enrollment Data:

<http://www.tn.gov/tenncare/topic/enrollment-data>

Census Bureau Fact Finder:

<http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

Please see Table B-Need-4A(2) on the following page. Its data are taken from the websites listed above.

**Table B-Need-4A(2): Perimeter Surgery Center
Demographic Characteristics of Primary Service Area
2017-2021**

Table B-Need-4A(2): Perimeter Surgery Center Demographic Characteristics of Primary Service Area 2017-2021													
	Department of Health / Health Statistics							Bureau of the Census				TennCare	
Primary Service Area Counties	Current Total Population 2017	Projected Total Population 2021	Total Population % Change 2017 - 2021	Current Target* Population Age 50+ 2017	Projected Target* Population Age 50+ 2021	Projected Target* Population 50+ % Change 2017 - 2021	Projected Target* Population 50+ As % Total Population 2021	Median Age	Median Household Income	Persons Below Poverty Level	Persons Below Poverty Level as % of Total Population	Current TennCare Enrollees	TennCare Enrollees as % of Total Current Population
DeKalb	19,796	20,342	2.8%	8,256	8,836	7.0%	43.4%	41.0	\$38,319	4,137	20.9%	5,272	26.6%
Jackson	12,191	12,429	2.0%	5,899	6,350	7.6%	51.1%	44.7	\$31,534	3,267	26.8%	2,878	23.6%
Overton	23,678	24,481	3.4%	10,025	10,847	8.2%	44.3%	41.6	\$35,287	5,091	21.5%	5,195	21.9%
Putnam	80,838	85,086	5.3%	28,604	31,038	8.5%	36.5%	35.9	\$35,343	20,371	25.2%	17,546	21.7%
Warren	41,019	41,578	1.4%	15,839	16,710	5.5%	40.2%	39.3	\$35,376	8,696	21.2%	11,517	28.1%
White	27,781	28,782	3.6%	12,011	12,988	8.1%	45.1%	42.0	\$34,901	5,445	19.6%	7,264	26.1%
Service Area Total	205,303	212,698	3.6%	80,634	86,769	7.6%	40.8%	40.8	\$35,127	47,008	22.9%	49,672	24.2%
State of TN Total	6,887,572	7,108,031	3.2%	2,503,893	2,700,542	7.9%	38.0%	37.6	\$53,889	1,067,574	15.5%	1,480,077	21.5%

Sources: TDOH Population Projections, 2016; U.S. Census QuickFacts; TennCare Bureau.

Service area data is either total, or average, as appropriate.

* Target Population is population that the project will primarily serve. For example, nursing home, home health agency, hospice agency projects typically primarily serve the Age 65+ population; projects for child and adolescent psychiatric services will serve the population Ages 0-19. Projected Year is defined in select service-specific criteria and standards. If Projected Year is not defined, default should be four years from Current Year, e.g., if Current Year is 2016, then default Projected Year is 2020. Here the State Health Plan defines a three year projection for this type of project (Home Health Need Calculation).

4b. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

The Perimeter Surgery Center serves patients without regard to their source of insurance, or their age, gender, race, or ethnic identity. The facility will serve TennCare patients in all area MCO's, and will provide a limited amount of charity care as well, estimated at 0.5% of gross revenues. The service area itself has a lower median household income than the State, and higher poverty rates, so special care will be taken to enroll uninsured persons in TennCare and to work out reasonable payment plans for patients who are underinsured.

5. Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must provide the following data: admissions or discharges, patient days, average length of stay, and occupancy. Other projects should use the appropriate measures, e.g., cases, procedures, visits, admissions, etc. This does not apply to projects that are solely relocating a service.

The State Health Plan, addressed in a prior section, states that in evaluating areawide utilization of existing facilities, the applicant may include only surgical facilities that “...provide comparable services regarding the types of Cases performed...”

Assuming that “comparable” in the State Health Plan and “similar” in this question #5 mean the same thing, the applicant has surveyed utilization of all ambulatory eye surgery centers surgical treatment centers within 40 miles of the project. This captures two that are in an adjacent county, but not in the applicant’s primary service area.

Their operating rooms *as a group* were utilized in 2016 at 113.49% of the State Health Plan definition of 100% utilization of an O.R. (1,263 cases).

Their procedure rooms *as a group* were utilized in 2016 at 10.05% of the State Health Plan definition of 100% utilization of a procedure room (2,667 cases).

**Table B-Need-5: Historic Utilization of Comparable Ambulatory Surgical Treatment Centers
Within 40 Miles of Perimeter Surgery Center**

2016 Joint Annual Report of ASTC's

Facility Name	County	O.R.'s	O.R. Cases	Cases Per O.R.	JAR Calculation of O.R. Utilization Percent	Procedure Rooms	Procedure Room Cases	Cases Per Procedure Room	JAR Calculation of Procedure Room Utilization Percent
Perimeter Surgery Center	Putnam	1	2,442	2,442	193.35%	1	298	298	11.17%
Plateau Surgery Center	Cumberland	1	975	975	77.20%	1	238	238	8.92%
Cataract and Laser Center	Cumberland	1	883	883	69.91%	0	0	0	0.00%
TOTALS		3	4,300	1,433	113.49%	2	536	268	10.05%

2015 Joint Annual Report of ASTC's

Facility Name	County	O.R.'s	O.R. Cases	Cases Per O.R.	JAR Calculation of O.R. Utilization Percent	Procedure Rooms	Procedure Room Cases	Cases Per Procedure Room	JAR Calculation of Procedure Room Utilization Percent
Perimeter Surgery Center	Putnam	1	2,308	2,308	182.74%	1	244	244	9.15%
Plateau Surgery Center	Cumberland	1	1,036	1,036	82.03%	1	0	0	0.00%
Cataract and Laser Center	Cumberland	1	658	658	52.10%	0	0	0	0.00%
TOTALS		3	4,002	1,334	105.62%	2	244	122	4.57%

2014 Joint Annual Report of ASTC's

Facility Name	County	O.R.'s	O.R. Cases	Cases Per O.R.	JAR Calculation of O.R. Utilization Percent	Procedure Rooms	Procedure Room Cases	Cases Per Procedure Room	JAR Calculation of Procedure Room Utilization Percent
Perimeter Surgery Center	Putnam	1	2,155	2,155	170.63%	1	239	239	8.96%
Plateau Surgery Center	Cumberland	1	1,493	1,493	118.21%	1	117	117	4.39%
Cataract and Laser Center	Cumberland	1	658	658	52.10%	0	0	0	0.00%
TOTALS		3	4,306	1,435	113.64%	2	356	178	6.67%

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three years and the projected annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

The table below provides three years of historical utilization at the current location, and a five-year projection of utilization at the new location.

The projection methodology is stated in the table footnote.

Table B-Need-6: Historic and Projected Utilization Perimeter Surgery Center CY2014-CY2023					
Calendar Year	Operating Room Cases			Procedure Room Cases	Facility Total Cases
	Retinal	Other	O.R. Subtotal		
2014	0	2,155	2,155	239	2,394
2015	0	2,308	2,308	244	2,552
2016	0	2,442	2,442	298	2,740
2017	0	2,564	2,564	313	2,877
2018	0	2,692	2,692	329	3,021
Yr 1-2019	110	2,827	2,937	345	3,282
Yr 2-2020	125	2,968	3,093	363	3,456
Yr 3-2021	140	3,117	3,257	381	3,638
Yr 4-2022	150	3,272	3,423	400	3,822
Yr 5-2023	160	3,436	3,596	420	4,016

Sources: Facility historical case records and JAR's. Retinal cases projected by retinal surgeon.
Other O.R. cases and procedure room cases projected to increase 5% per year after 2016.
Growth in 2014 through 2016 averaged 7% annually.

The table on the following page translates the above case projections into time requirements to indicate percentage utilization of O.R. capacity, based on the two scenarios of continuing with one O.R., or having two O.R.'s, at the proposed new location.

Table B-Need-State Health Plan 2E: Projected Operating Room Cases and Minutes Required*
Perimeter Surgery Center CY2016-CY2023

	2016	2017	2018	Year One 2019	Year Two 2020	Year Three 2021	Year Four 2022	Year Five 2023
Retinal								
Cases	0	0	0	110	125	140	150	160
Minutes	0	0	0	8,250	9,375	10,500	11,250	12,000
Cataracts								
Cases	2,320	2,436	2,558	2,686	2,820	2,961	3,109	3,264
Minutes	46,398	48,718	51,154	53,711	56,397	59,217	62,178	65,287
Blepharoplasty								
Cases	122	128	135	141	148	156	164	172
Minutes	7,326	7,692	8,077	8,481	8,905	9,350	9,818	10,308
Total in O.R.								
Cases	2,442	2,564	2,692	2,937	3,093	3,257	3,423	3,596
Minutes	53,724	56,410	59,231	70,442	74,677	79,067	83,245	87,595

* Average Total Minutes Per Case: Retinal @ 75"; Cataract @ 20"; Blepharoplasty @ 60".

Source: Retinal case projections from retinal specialist on staff; Other cases projected at 5% annual increase.

Minutes Available 3.5 Days/Week One O.R.	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000
Utilization %	64%	67%	71%	84%	89%	94%	99%	104%

Minutes Available 4.0 Days/Week Two O.R.'s				192,000	192,000	192,000	192,000	192,000
Utilization %				37%	39%	41%	43%	46%

* 1 O.R = 60 minutes X 8 hours per day X 50 weeks = 24,000 minutes per day per week
3.5 days = 84,000 minutes per year per O.R.; 4.0 days = 96,000 minutes per year per O.R.

ECONOMIC FEASIBILITY

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.

A. All projects should have a project cost of at least \$15,000 (the minimum CON Filing Fee), (See application instructions for Filing Fee.)

The filing fee exceeds the minimum and conforms to the application instructions.

B. The cost of any lease, The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.

The applicant calculated the value of the leased space in the two ways required under HSDA rules: the lease expense during the first term of years; and the value of the space as a proportional percentage of the market value of the building in which the space is leased. The calculations are shown and compared in the spreadsheet on the third following page.

C. The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.

The equipment cost estimate includes price, freight, and tax. There is no major medical equipment in the project requiring maintenance agreements. The construction cost estimate included all contractor-installed building materials and equipment. An equipment list is provided on the fourth following page.

D. Complete the Square Footage Chart on page 8 and provide the documentation. Please note the Total Construction Cost reported on line 5 of the Project Cost Chart should equal the Total Construction Cost reported on the Square Footage Chart.

This chart has been completed on page 15. Its construction cost total matches that on the Project Cost Chart on the second following page.

E. For projects that include new construction, modification, and/or renovation documentation must be provided from a licensed architect or construction professional that support the estimated construction costs. Provide a letter that includes the following:

- 1) A general description of the project;**
- 2) An estimate of the cost to construct the project; and**
- 3) A description of the status of the site's suitability for the proposed project;**
- 4) Attesting the physical environment will conform to applicable federal standards, manufacturer's specifications and licensing agencies' requirements including the AIA Guidelines for Design and Construction of Hospital and Health Care Facilities in current use by the licensing authority.**

See Attachment Section B-Economic Feasibility-1E for the required letter.

PROJECT COST CHART-- PERIMETER SURGERY CENTER CHANGE OF SITE

A. Construction and equipment acquired by purchase:

1. Architectural and Engineering Fees	\$	47,260
2. Legal, Administrative, Consultant Fees (Excl CON Filing Fee)		30,000
3. Acquisition of Site		0
4. Preparation of Site		0
5. Total Construction Cost		347,200
6. Contingency Fund 5%		62,000
7. Fixed Equipment (Not included in Construction Contract)		0
8. Moveable Equipment (List all equipment over \$50,000 as separate attachment)		285,525
9. Other (Specify) _____		
Section A costs= \$771,985		

B. Acquisition by gift, donation, or lease:

1. Facility (inclusive of building and land) lease outlay		893,486
2. Building only		
3. Land only		
4. Equipment (Specify) Value of transferred equipment		12,586
5. Other (Specify) _____		

C. Financing Costs and Fees:

1. Interim Financing		46,319
2. Underwriting Costs		
3. Reserve for One Year's Debt Service		
4. Other (Specify) _____		

D. Estimated Project Cost (A+B+C)

1,724,376

E. CON Filing Fee

27,159

F. Total Estimated Project Cost (D+E)

TOTAL \$ 1,751,535

Actual Capital Cost 845,463
Section B FMV 906,072

**PERIMETER SURGERY CENTER CHANGE OF LOCATION
COMPARISON OF LEASE OUTLAY VS. FMV OF LEASED SPACE**

LEASE OUTLAY--FIRST TERM						
First Term of Years	Rentable SF	Base Lease Rate-\$PSF	Annual Base Lease Outlay	Pass-through Expenses-\$PSF	Annual PassThrough Expenses	Total Costs for Leased Space
Year 1	5,541	\$32.25	\$178,697.25	\$8.00	\$44,328.00	\$223,025.25
Year 2	5,541	\$32.25	\$178,697.25	\$8.00	\$44,328.00	\$223,025.25
Year 3	5,541	\$32.25	\$178,697.25	\$8.00	\$44,328.00	\$223,025.25
Year 4	5,541	\$32.25	\$178,697.25	\$8.00	\$44,328.00	\$223,025.25
Year 5	5,541	\$32.25	\$178,697.25	\$8.00	\$44,328.00	\$223,025.25
1st Term Total			\$893,486.25			\$1,115,126.25

LEASED SPACE--FAIR MARKET VALUE

Rentable SF RSF	5,541	Lease
Building Area RSF	18,500	Developer's Documents
Project % of Building	29.9514%	FPSC Space / Building Space
Bldg and Land Cost	\$2,607,000	Developer's Cost Projection
Project Space FMV	\$780,832	5541/18500 X \$2,607,000

PERIMETER SURGERY CENTER EQUIPMENT PLAN

NEW MEDICAL EQUIPMENT		ESTIMATE	NEW FURNITURE AND TECH		ESTIMATE
OR STOOL		\$ 200.00	REFRIGERATOR		\$ 500.00
SCRUB TABLE		\$ 200.00	DISHWASHER		\$ 350.00
ANESTHESIA CART & CONTENTS		\$ 800.00	OFFICE CHAIRS - 3		\$ 450.00
CRASH CART AND CONTENTS		\$ 1,000.00	TV		\$ 300.00
OR TRAYS AND INSTRUMENTS - 2		\$ 2,000.00	TRASH CANS (LARGE AND SMALL)		\$ 175.00
FRAG HAND PIECE		\$ 2,250.00	WAITING ROOM FURNITURE		\$ 3,000.00
FILTER FOR MICROSCOPE		\$ 2,500.00	BREAK ROOM TABLE AND CHAIRS		\$ 1,000.00
AUTOCLAVE		\$ 3,500.00	COMPUTER		\$ 2,000.00
LIO - LASER INDIRECT OPHTHALMOSCOPE		\$ 5,800.00	PRINTER		\$ 500.00
OR CABINETS		\$ 10,000.00	IT LABOR		\$ 1,000.00
VITAL SIGNS MACHINES - 4-5		\$ 12,000.00			
STRETCHERS - 3		\$ 16,000.00			
* MICROSCOPE		\$ 60,000.00			
* PHACO MACHINE		\$ 60,000.00			
* CONSTELLATION		\$ 100,000.00			
		\$ 276,250.00			\$ 9,275.00
TOTAL ESTIMATE FOR FURNITURE, EQUIPMENT AND TECHNOLOGY					\$ 285,525.00

2. Identify the funding sources for this project.

Check the applicable item(s) below and briefly summarize how the project will be financed. (Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.)

☒ **A. Commercial Loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;**

☐ **B. Tax-Exempt Bonds--copy of preliminary resolution or a letter from the issuing authority, stating favorable contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;**

☐ **C. General Obligation Bonds--Copy of resolution from issuing authority or minutes from the appropriate meeting;**

☐ **D. Grants--Notification of Intent form for grant application or notice of grant award;**

☐ **E. Cash Reserves--Appropriate documentation from Chief Financial Officer; or**

☐ **F. Other--Identify and document funding from all sources.**

The project's funding requirement of approximately \$846,000 will be met through a bank loan from The First National Bank of Tennessee of Cookeville, a local bank that is familiar with the project.

A letter from a bank officer stating an interest in funding the project is provided in Attachment B-Economic Feasibility-2.

3. Complete Historical Data Charts on the following pages--Do not modify the Charts or submit Chart substitutions!

Historical Data Chart represents revenue and expense information for the last three (3) years for which complete data is available. Provide a Chart for the total facility and Chart just for the services being presented in the proposed project, if applicable. Only complete one chart if it suffices.

Note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

The Historic Data Chart for Perimeter Surgery Center follows this page.

4. Complete Projected Data Charts on the following pages – Do not modify the Charts provided or submit Chart substitutions!

The Projected Data Chart requests information for the two years following the completion of the proposed services that apply to the project. Please complete two Projected Data Charts. One Projected Data Chart should reflect revenue and expense projections for the *Proposal Only* (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility). The second Chart should reflect information for the total facility. Only complete one chart if it suffices.

Note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

Perimeter Surgery Center's Projected Data Chart for CY2019-CY2020 is provided following its Historic Data Chart.

HISTORICAL DATA CHART--PERIMETER SURGERY CENTER

Give information for the last three (3) years for which complete data are available for the facility or agency.

The fiscal year begins in January.

		Year 2014	Year 2015	Year 2016
A.	Utilization Data Cases	<u>2,394</u>	<u>2,552</u>	<u>2,740</u>
	(Specify unit or measure)			
B.	Revenue from Services to Patients			
1.	Inpatient Services	\$ <u>7,170,359</u>	\$ <u>7,252,631</u>	\$ <u>8,210,662</u>
2.	Outpatient Services	<u> </u>	<u> </u>	<u> </u>
3.	Emergency Services	<u> </u>	<u> </u>	<u> </u>
4.	Other Operating Revenue	<u>(275,925)</u>	<u>(219,077)</u>	<u>(81,620)</u>
	(Specify) <u>See notes page</u>			
	Gross Operating Revenue	\$ <u>6,894,434</u>	\$ <u>7,033,554</u>	\$ <u>8,129,042</u>
C.	Deductions from Gross Operating Revenue			
1.	Contractual Adjustments	\$ <u>4,826,041</u>	\$ <u>4,927,782</u>	\$ <u>5,664,515</u>
2.	Provision for Charity Care	<u> </u>	<u> </u>	<u> </u>
3.	Provisions for Bad Debt	<u> </u>	<u> </u>	<u> </u>
	Total Deductions	\$ <u>4,826,041</u>	\$ <u>4,927,782</u>	\$ <u>5,664,515</u>
	NET OPERATING REVENUE	\$ <u>2,068,393</u>	\$ <u>2,105,772</u>	\$ <u>2,464,527</u>
D.	Operating Expenses			
1.	Salaries and Wages			
a.	Clinical	\$ <u>144,871</u>	\$ <u>143,517</u>	\$ <u>147,217</u>
b.	Non-Clinical	<u>38,028</u>	<u>40,398</u>	<u>40,771</u>
2.	Physicians Salaries and Wages	<u>0</u>	<u>0</u>	<u>0</u>
3.	Supplies	<u>704,074</u>	<u>749,341</u>	<u>868,918</u>
4.	Rent	<u> </u>	<u> </u>	<u> </u>
c.	Paid to Affiliates	<u>0</u>	<u>0</u>	<u>0</u>
d.	Paid to Non-Affiliates	<u>128,400</u>	<u>128,587</u>	<u>122,300</u>
5.	Management Fees	<u> </u>	<u> </u>	<u> </u>
a.	Paid to Affiliates	<u>0</u>	<u>0</u>	<u>7,500</u>
b.	Paid to Non-Affiliates	<u>0</u>	<u>0</u>	<u>0</u>
6.	Other Operating Expenses <u>See notes page.</u>	<u>111,908</u>	<u>103,659</u>	<u>103,369</u>
	Total Operating Expenses	\$ <u>1,127,280</u>	\$ <u>1,165,502</u>	\$ <u>1,290,075</u>
E.	Earnings Before Interest, Taxes, and Depreciation	\$ <u>941,113</u>	\$ <u>940,270</u>	\$ <u>1,174,451</u>
F.	Non-Operating Expenses			
1.	Taxes	\$ <u>16,846</u>	<u>29,305</u>	<u>12,108</u>
2.	Depreciation	<u>42,054</u>	<u>41,826</u>	<u>77,744</u>
3.	Interest	<u>0</u>	<u>0</u>	<u>0</u>
4.	Other Non-Operating Expenses	<u>(2,131)</u>	<u>(1,806)</u>	<u>(700)</u>
	Total Non-Operating Expenses	\$ <u>56,769</u>	\$ <u>69,325</u>	\$ <u>89,152</u>
	NET INCOME (LOSS)	\$ <u>884,344</u>	\$ <u>870,945</u>	\$ <u>1,085,300</u>

Chart Continues Onto Next Page

	Year 2014	Year 2015	Year 2016
NET INCOME (LOSS)	\$ 884,344	\$ 870,945	\$ 1,085,300
G. Other Deductions			
1. Annual Principal Debt Repayment	\$ 0	\$ 0	\$ 0
2. Annual Capital Expenditure			
Total Other Deductions	\$ 0	\$ 0	\$ 0
NET BALANCE	\$ 884,344	\$ 870,945	\$ 1,085,300
DEPRECIATION	\$ 42,054	\$ 41,826	\$ 77,744
FREE CASH FLOW (Net Balance + Depreciation)	\$ 926,398	\$ 912,771	\$ 1,163,044

X TOTAL FACILITY
O PROJECT ONLY

HISTORICAL DATA CHART -- OTHER EXPENSES

<u>OTHER REVENUE CATEGORIES</u>	Year 2014	Year 2015	Year 2016
1. <u>NET CHANGE IN ACCOUNTS RECEIVABLE</u>	\$ 251,849	\$ 220,193	\$ 81,626
2. <u>ADJUSTING ENTRIES FOR TAX</u>	24,076	(1,115)	(6)
Total Other Revenue	\$ 275,925	\$ 219,077	\$ 81,620

<u>OTHER EXP CATEGORIES (OPERATING)</u>	Year 2014	Year 2015	Year 2016
1. <u>BANK SERVICE CHARGES</u>	\$ 933	\$ 807	\$ 762
2. <u>CONTINUING EDUCATION</u>	325	365	185
3. <u>CONTRACT LABOR</u>	8,938	9,420	4,078
4. <u>CREDENTIALING</u>	273	553	0
5. <u>CREDIT CARD EXPENSES</u>	4,761	5,947	6,489
6. <u>DUES/SUBSCRIPTIONS</u>	226	1,948	497
7. <u>INSURANCE</u>	9,636	10,494	12,096
8. <u>LABORATORY FEES</u>	0	149	0
9. <u>LEASE AGREEMENT FEES</u>	187	0	187
10. <u>LICENSE AND PERMITS</u>	1,768	1,180	1,537
11. <u>MISC</u>	(7)	300	0
12. <u>PENSION</u>	750	1,430	2,642
13. <u>POSTAGE</u>	1,407	1,357	1,030
14. <u>PROFESSIONAL FEES</u>	11,692	8,544	10,641
15. <u>REFERENCE MATERIALS</u>	63	0	0
16. <u>REPAIRS</u>	18,006	10,247	8,483
17. <u>SERVICE CONTRACTS</u>	21,878	21,686	22,019
18. <u>TELEPHONE</u>	3,642	2,981	2,528
19. <u>TRAVEL/MEALS/ENT</u>	15,844	11,700	15,906
20. <u>UTILITIES</u>	11,587	14,552	14,290
Total Other Expenses	\$ 111,908	\$ 103,659	\$ 103,369

<u>OTHER EXP CATEGORIES (NONOPERATING)</u>	Year 2014	Year 2015	Year 2016
1. <u>INTEREST INCOME</u>	\$ 1	\$ 0	\$ 0
2. <u>INTEREST EXPENSE</u>	0	0	0
3. <u>(-)GAIN/(+)LOSS ON SALE OF ASSETS</u>	(2,132)	(1,786)	(700)
3. <u>OTHER INCOME/LOSS</u>	0	(20)	0
Total Other Expenses	\$ (2,131)	\$ (1,806)	\$ (700)

X TOTAL FACILITY
O PROJECT ONLY

PROJECTED DATA CHART--PERIMETER SURGERY CENTER

Give information for the last three (3) years for which complete data are available for the facility or agency.
The fiscal year begins in January.

		Year 2019 (Year One)	Year 2020 (Year Two)
A.	Utilization Data Cases (Specify unit or measure)	<u>3,282</u>	<u>3,456</u>
B.	Revenue from Services to Patients		
1.	Inpatient Services	\$ <u>0</u>	\$ <u>0</u>
2.	Outpatient Services	<u>9,718,408</u>	<u>10,271,121</u>
3.	Emergency Services	<u>0</u>	<u>0</u>
4.	Other Operating Revenue	<u>0</u>	<u>0</u>
	(Specify) <u>See notes page</u>		
	Gross Operating Revenue	\$ <u>9,718,408</u>	\$ <u>10,271,121</u>
C.	Deductions from Gross Operating Revenue		
1.	Contractual Adjustments	\$ <u>6,608,517</u>	\$ <u>6,984,362</u>
2.	Provision for Charity Care	<u>48,592</u>	<u>51,356</u>
3.	Provisions for Bad Debt	<u></u>	<u></u>
	Total Deductions	\$ <u>6,657,109</u>	\$ <u>7,035,718</u>
	NET OPERATING REVENUE	\$ <u>3,061,298</u>	\$ <u>3,235,403</u>
D.	Operating Expenses		
1.	Salaries and Wages		
a.	Clinical	\$ <u>231,296</u>	\$ <u>242,861</u>
b.	Non-Clinical	<u>68,100</u>	<u>74,910</u>
2.	Physicians Salaries and Wages	<u>0</u>	<u></u>
3.	Supplies	<u>1,042,618</u>	<u>1,094,749</u>
4.	Rent		
c.	Paid to Affiliates	<u></u>	<u></u>
d.	Paid to Non-Affiliates	<u>198,472</u>	<u>198,472</u>
5.	Management Fees		
a.	Paid to Affiliates	<u>18,000</u>	<u>18,000</u>
b.	Paid to Non-Affiliates	<u></u>	<u></u>
6.	Other Operating Expenses <u>See notes page</u>	<u>181,978</u>	<u>181,978</u>
	Total Operating Expenses	\$ <u>1,740,464</u>	\$ <u>1,810,970</u>
E.	Earnings Before Interest, Taxes, and Depreciation	\$ <u>1,320,834</u>	\$ <u>1,424,433</u>
F.	Non-Operating Expenses		
1.	Taxes	\$ <u>20,000</u>	\$ <u>20,000</u>
2.	Depreciation	<u>80,000</u>	<u>75,000</u>
3.	Interest	<u>33,582</u>	<u>32,420</u>
4.	Other Non-Operating Expenses	<u></u>	<u></u>
	Total Non-Operating Expenses	\$ <u>133,582</u>	\$ <u>127,420</u>
	NET INCOME (LOSS)	\$ <u>1,187,252</u>	\$ <u>1,297,013</u>

Chart Continues Onto Next Page

	2019	2020
NET INCOME (LOSS)	\$ 1,187,252	\$ 1,297,013
G. Other Deductions		
1. Annual Principal Debt Repayment	\$ 28,817	\$ 29,979
2. Annual Capital Expenditure		
Total Other Deductions	\$ 28,817	\$ 29,979
NET BALANCE	\$ 1,158,435	\$ 1,267,034
DEPRECIATION	\$ 80,000	\$ 75,000
FREE CASH FLOW (Net Balance + Depreciation)	\$ 1,238,435	\$ 1,342,034

X TOTAL FACILITY

O PROJECT ONLY

PROJECTED DATA CHART -- OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	2019	2020
1. BANK SERVICE CHARGES	\$ 1,000	\$ 1,000
2. CONTINUING EDUCATION	400	400
3. COMMON AREA EXPENSES	44,328	44,328
4. CONTRACT LABOR	5,000	5,000
5. CREDENTIALING	500	500
6. CREDIT CARD EXPENSES	8,000	8,000
7. DUES/SUBSCRIPTIONS	500	500
8. INSURANCE	13,000	13,000
9. LICENSE AND PERMITS	1,550	1,550
10. PENSION	5,000	5,000
11. POSTAGE	1,500	1,500
12. PROFESSIONAL FEES	12,000	12,000
13. REPAIRS	8,000	8,000
14. SERVICE CONTRACTS	21,000	21,000
15. TELEPHONE	2,700	2,700
16. TRAVEL/MEALS/ENT	24,000	24,000
17. UTILITIES	33,500	33,500
Total Other Expenses	\$ 181,978	\$ 181,978

5.A. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Projected Data Chart for Year 1 and Year 2 of the proposed project. Please complete the following table.

	Project Previous Year	Project Current Year*	Project Year One	Project Year Two	% Change (Current Yr to Yr2)
Gross Charge (Gross Operating Revenue/Utilization Data)	\$2,967	\$2,970	\$2,961	\$2,972	0.4%
Deduction from Revenue (Total Deductions/Utilization Data)	\$2,067	\$2,100	\$2,028	\$2,036	0.4%
Average Net Charge (Net Operating Revenue/Utilization Data)	\$899	\$900	\$933	\$936	0.3%

**Estimate; not taken from Historic Data Chart, which stops before the current year.*

B. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

This surgery center has not increased its gross charges in more than five years. There are no projected adjustments to current charges for cataract cases, which comprise approximately 86% of current cases. During CY2017, the facility charges for some other procedures will be increased to reflect current reimbursement increases. The addition of relatively more expensive retinal surgeries at the new location will increase the CY2019 overall average net charge very little over CY2016.

The projected charges for the most frequently performed procedures are provided in Table B-Economic Feasibility-5B, on the following page.

**Table B-Economic Feasibility-5B: Perimeter Surgery Center
Charge Data for Most Frequent Ophthalmic Procedures**

CPT-10	Descriptor	Current Medicare Allowable	Average Gross Charge		
			Current	Year 1	Year 2
66984	Cataract Rem w/ IOL Insertion	\$978	\$3,000	\$3,000	\$3,000
66982	Complicated Cat Removal	\$978	\$3,800	\$3,800	\$3,800
66821	Discission of Secondary Cataract	\$254	\$800	\$1,200	\$1,200
15823	Revision upper eyelid	\$772	\$1,500	\$2,000	\$2,000
0191T	Insertion anterior segment drain	\$2,585	\$3,000	\$4,000	\$4,000
67900	Repair brow ptosis	\$792	\$3,000	\$3,000	\$3,000
67904	Repair Eyelid Defect	\$792	\$1,400	\$2,800	\$2,800
67036	Vitrectomy	\$1,599	none	\$3,500	\$3,500
67040	Vitrectomy w/ photocoagulation	\$1,599	none	\$3,500	\$3,500
67041	Vitrectomy w/ peel	\$1,599	none	\$3,500	\$3,500
67108	Scleral Buck w/ victrectomy	\$1,599	none	\$3,500	\$3,500

C. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Table B-Economic Feasibility-5B on the preceding page shows current Medicare allowable fee schedules for the procedures to be most frequently performed in the facility.

Table B-Economic Feasibility-5C below shows comparative gross and net charges for Perimeter and for the other two eye surgery centers located within 40 miles of this project--both of which are in Cumberland County and are not in the Perimeter Surgery Center's primary service area. All 2016 data are from these facilities' 2016 Joint Annual Reports, which are on a fiscal year basis July-June. Perimeter's data is from its Projected Data Chart's calendar year projections for 2019.

Gross revenue is equivalent to the facility's charge schedule, before adjustments. Net revenue is gross revenue minus contractual adjustments, bad debt, and charity, and other deductions (no expenses deducted at that point). Net revenue per case is what payers (patients and their insurers) actually pay the facility.

The Perimeter Surgery Center's projected \$933 net cost per case to payers in CY2019 will be within the range of revenues of this group in CY2016.

Table B-Economic Feasibility-5C: Charge Comparison To Existing Service Area Facilities That Provide Similar Services						
ASTC	JAR Year	Cases	Gross Revenue	Net Revenue	Gross Rev. Per Case	Net Rev. Per Case
Cataract & Laser Center	2016	883	\$4,249,683	\$1,425,754	\$4,813	\$1,615
Plateau Surgery Center	2016	1213	\$3,081,716	\$675,891	\$2,541	\$557
Perimeter Surgery Center	2016	2740	\$6,673,874	\$2,028,464	\$2,436	\$740
This Project	2019	3282	\$9,718,408	\$3,061,298	\$2,961	\$933

6.A. Discuss how projected utilization rates will be sufficient to support the financial performance. Indicate when the project's financial breakeven is expected and demonstrate the availability of sufficient cash flow until financial viability is achieved.

The Projected Data Chart, page 2, indicates that the facility will have a positive cash flow in both Years One and Two, as it does today as the largest-volume eye surgery center on the Cumberland Plateau.

Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For all projects, provide financial information for the corporation, partnership, or principal parties that will be a source of funding for the project.

Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility. NOTE: Publicly held entities only need to reference their SEC filings.

See Attachment Section B-Economic Feasibility-6A.

6.B. Net Operating Margin Ratio – Demonstrates how much revenue is left over after all the variable or operating costs have been paid. The formula for this ratio is: (Earnings before interest, Taxes, and Depreciation/Net Operating Revenue).

Utilizing information from the Historical and Projected Data Charts please report the net operating margin ratio trends in the following table:

	2 nd Yr Previous to Current Yr	1 st Yr Previous to Current Yr	Current Yr	Projected Yr 1	Projected Yr 2
Net Operating Margin Ratio	0.45	0.48	Not Available	0.43	0.44

6.C. Capitalization Ratio (Long-term debt to capitalization) – Measures the proportion of debt financing in a business's permanent (Long-term) financing mix. This ratio best measures a business's true capital structure because it is not affected by short-term financing decisions. The formula for this ratio is: (Long-term debt/(Long-term debt + Total Equity (Net assets)) x 100).

For the entity (applicant and/or parent company) that is funding the proposed project please provide the capitalization ratio using the most recent year available from the funding entity's audited balance sheet, if applicable. The Capitalization Ratios are not expected from outside the company lenders that provide funding.

This is not applicable because 100% of the funding is projected to come from a commercial lender (First National Bank) that is not affiliated with the applicant.

7. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. Additionally, report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payer classification for the first year of the project by completing the table below.

Applicant's Projected Payer Mix, Year 1		
Payer Source	Projected Gross Operating Revenue	As a Percent of Total Revenue
Medicare/Medicare Managed Care	\$1,192,145	66.00%
TennCare/Medicaid	\$126,440	7.00%
Commercial/Other Managed Care	\$415,445	23.00%
Self-Pay	\$13,547	0.75%
Charity Care	\$18,063	1.00%
Other	\$40,647	2.25%
Total	\$1,806,281	100.00%

8. Provide the projected staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTE) positions for these positions. Additionally, please identify projected salary amounts by position classifications and compare the clinical staff salaries to prevailing wage patterns in the proposed service area as published by the Department of Labor & Workforce Development and/or other documented sources.

See Table B-Economic Feasibility-8, on the following page. The applicant cannot locate current prevailing wage patterns for the types of employees needed, on the referenced website or in other documented sources.

The facility currently provides anesthesia through a local CRNA group that does its own independent billing. Anesthesia expense and revenue are not included in the Projected Data Chart of staffing chart because they are not part of this facility's financial operation.

**Table B-Need-12: Perimeter Surgery Center
Current and Projected Staffing**

Position Classification	Existing FTEs	Projected FTEs (Yr 1)	Average Wage (Contractual Rate)	Areawide / Statewide Average Wage
A. Direct Patient Care Positions				
RN	1.00	2.00	\$20-\$30/hour	\$55,000-\$65,000/year
Total Direct Patient Care Positions	1.00	2.00		
B. Non-Patient Care Positions				
Manager or clerical	1.00	2.00	\$12-\$25/hour	\$35,000-\$41,000/year
Total Non-Patient Care Positions	1.00	2.00		
Total Employees (A + B)	2.00	4.00		
C. Contractual Staff				
	0.00	0.00		
Total Staff (A+B+C)	2.00	4.00		

Source: Applicant's management.

9. Describe all alternatives to this project that were considered and discuss the advantages and disadvantages of each alternative, including but not limited to:

A. Discuss the availability of less costly, more effective and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, justify why not, including reasons as to why they were rejected.

The Applicant has not identified preferable alternative methods of addressing its own patient growth, or for bringing retinal surgery to the service area.

Waiting for a period of years is not a reasonable option. Perimeter's O.R. is 113% utilized under the State Health Plan standard for cases per room. Case time analysis indicates that one O.R. will exceed 70% utilization of the available O.R. time during the year before the relocation, and will reach 84% in the first year at the new site. The facility's support spaces need to be expanded for its current caseloads, let alone future increases in cases. Expansion is not possible within its present building. These considerations justify approval for a second O.R. now. Delaying the decision in favor of adding a second O.R. after the facility opens would interrupt clinical services and would be more costly than building a two-O.R. facility initially.

B. Document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements.

The project does not require new construction--only a build-out of shell space currently being constructed for a large Medical Office Building.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (i.e., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, that may directly or indirectly apply to the project, such as transfer agreements or contractual agreements for health services.

This facility is in network already with every TennCare MCO active in its service area. Those are Amerigroup, United Healthcare Community Plan, BlueCare, and TennCare Select.

Perimeter Surgery Center will utilize Cookeville Regional Medical Center if an emergency transfer is ever required.

2. Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact to consumers and existing providers in the service area. Discuss any instances of competition or duplication arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

2.A. Positive Effects

The project will shorten patients' excessive (6 week) waiting periods for cataract surgery. It will make an important new ophthalmic service available to the service area: retinal surgery. It will provide the facility's staff with a more efficient facility that has adequate space for all support functions including equipment and supplies storage and patient waiting.

2.B. Negative Effects

The applicant has not identified any negative impact on other surgical facilities in its service area; this is the only eye surgery center in the primary service area. Its case increases will continue to come from growing demand for vision care in an aging population living in one of the region's most popular retirement areas.

3.A.. Discuss the availability of an accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements and/or requirements of accrediting agencies such as the Joint Commission and the Commission on Accreditation of Rehabilitation Facilities.

The facility is now, and will remain, staffed in full compliance with accreditation requirements of AAAHC, and with all requirements of State Licensure, which must license this facility in order for it to operate at the new location. The minimal new staffing for the project is anticipated to be readily available.

3B. Verify that the applicant has reviewed and understands all licensing and/or certification as required by the State of Tennessee and/or accrediting agencies such as the Joint Commission for medical/clinical staff. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.

The applicant so verifies.

3.C. Discuss the applicant's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

This is too small a surgical facility to be utilized for health professions training programs.

4. Identify the type of licensure and certification requirements applicable and verify that the applicant has reviewed and understands them. Discuss any additional requirements, if applicable. Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure: The facility will seek continuing licensure from the Board for Licensing Health Care Facilities, Tennessee Department of Health, as an Ambulatory Surgical Treatment Center restricted to Ophthalmology.

Certification Type (e.g. Medicare SNF, Medicare LTAC, etc.): The facility will seek continued Medicare and Medicaid certification as an Ambulatory Surgical Treatment Center.

Accreditation (i.e. Joint Commission, CARF, etc.): The facility has, and will seek to maintain, full accreditation from AAAHC, the Accreditation Association for Ambulatory Health Care.

4.A. If an existing institution, describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility and accreditation designation.

This facility is licensed in good standing, certified for participation in TennCare and Medicare, and fully accredited by the AAAHC (Association for Accreditation of Ambulatory Health Care). Please see copies of these documents in the Attachments.

4.B. For existing providers, please provide a copy of the most recent statement of deficiencies/plan of correction and document that all deficiencies/findings have been corrected, by providing a letter from the appropriate agency.

Please see the Attachments.

4C. Document and explain inspections within the past three survey cycles which have resulted in any of the following state, federal, or accrediting body actions: suspension of admissions, civil monetary penalties, notice of 23- ore 90-day termination proceedings from Medicare or Medicaid/TennCare, revocation/denial of accreditation, or other similar actions. (1) Discuss what measures the applicant has or will put in place to avoid similar findings in the future.

Not applicable.

5. Respond to all of the following and for such occurrences, identify, explain, and provide documentation:

A. Has any of the following:

- (1) Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);**
- (2) Any entity in which any person(s) or entity with more than 5% ownership (direct of indirect) in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or**
- (3) Any physician or other provider of health care, or administrator employed by any entity in which any person(s) or entity with more than 5% ownership in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%...**

B. Been subjected to any of the following:

- (1) Final Order or Judgment in a State licensure action;**
- (2) Criminal fines in cases involving a Federal or State health care offense;**
- (3) Civil monetary penalties in cases involving a Federal or State health care offense;**
- (4) Administrative monetary penalties in cases involving a Federal or State health care offense;**
- (5) Agreement to pay civil or monetary penalties to the Federal government or any State in cases involving claims related to the provision of health care items and services; and/or**
- (6) Suspension or termination of participation in Medicare or Medicaid/TennCare programs;**
- (7) Is presently subject of/to an investigation, regulatory action, or party in any civil or criminal action of which you are aware;**
- (8) Is presently subject to a corporate integrity agreement.**

None of the persons or entities in question 5A above have been subjected to any of the sanctions listed in question 5B above.

6. Outstanding Projects:

- a. Complete the following chart by entering information for each applicable outstanding CON by applicant or share common ownership; and
- b. Provide a brief description of the current progress, and status of each applicable outstanding CON.

Outstanding Projects					
			Annual Progress Report*		
CON Number	Project Name	Date Approved	Due Date	Date Filed	Expiration Date
CN					
Status:					

* **Annual Progress Reports** – HSDA Rules require that an Annual Progress Report (APR) be submitted each year. The APR is due annually until the Final Project Report (FPR) is submitted (FPR is due within 90 ninety days of the completion and/or implementation of the project). Brief progress status updates are requested as needed. The project remains outstanding until the FPR is received.

Not applicable. The applicant LLC and the applicant's owners hold no unimplemented Certificates of Need.

7. Equipment Registry -- For the applicant and all entities in common ownership with the applicant.

7.a. Do you own, lease, operate, and/or contract with a mobile vendor for a Computed Tomography Scanner (CT), Linear Accelerator, Magnetic Resonance Imaging (MRI), and/or Positron Emission Tomographer (PET)?

No.

7.b. If yes, have you submitted their registration to HSDA? If you have, what was the date of the submission?

NA

7.c. If yes, have you submitted their utilization to HSDA? If you have, what was the date of the submission?

NA

Facility	Date of HSDA Registration	Date of Last Utilization Submittal

QUALITY MEASURES

Please verify that the applicant will report annually using forms prescribed by the Agency, concerning continued need and appropriate quality measures as determined by the Agency pertaining to the Certificate of Need, if approved.

The applicant so verifies.

SECTION C: STATE HEALTH PLAN QUESTIONS

T.C.A. §68-11-1625 requires the Tennessee Department of Health's Division of Health Planning to develop and annually update the State Health Plan (found at <http://www.tn.gov/health/topic/health-planning>). The State Health Plan guides the State in the development of health care programs and policies and in the allocation of health care resources in the State, including the Certificate of Need program. The **5 Principles for Achieving Better Health** are from the State Health Plan's framework and inform the Certificate of Need program and its standards and criteria. Discuss how the proposed project will relate to the **5 Principles for Achieving Better Health** found in the State Health Plan.

1. The purpose of the State Health Plan is to improve the health of the people of Tennessee.

This project enables the area's first, and largest, eye surgery center to continue to meet the increasing need of the service area population for ophthalmic surgery, and it allows the provider to introduce retinal surgery to the area .

2. People in Tennessee should have access to health care and the conditions to achieve optimal health.

The project will eliminate the need of the facility's patients to drive to Nashville or another distant city for retinal surgery, which currently cannot be obtained within the service area.

3. Health resources in Tennessee, including health care, should be developed to address the health of people in Tennessee while encouraging economic efficiencies.

The project provides economic efficiencies for payers whose enrollees would otherwise be paying substantially higher charges for the same procedures, in hospital-based operating rooms.

4. People in Tennessee should have confidence that the quality of health care is continually monitored and standards are adhered to by providers.

Perimeter Surgery Center will ensure that all phases of its operation equal or exceed quality standards promulgated now, and in the future, by licensing and accrediting agencies. This is an existing provider that is already licensed, fully accredited, and subject to no disciplinary actions from any State or Federal authority.

5. The state should support the development, recruitment, and retention of a sufficient and quality health workforce.

The project is too small to have any significant impact on the workforce.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent.

Please see the following page.

NOTIFICATION REQUIREMENTS

(Applies only to Nonresidential Substitution-Based Treatment Centers for Opiate Addiction)

Note that T.C.A. §68-11-1607(c)(3) states that "...Within ten (10) days of filing an application for a nonresidential substitution-based treatment center for opiate addiction with the agency, the applicant shall send a notice to the county mayor of the county in which the facility is proposed to be located, the member(s) of the House of Representatives and the Senator of the General Assembly representing the district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of a municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution based treatment center for opiate addiction has been filed with the agency by the applicant."

Failure to provide the notifications described above within the required statutory timeframe will result in the voiding of the CON application.

Please provide documentation of these notifications.

Not applicable to an ASTC project.

Herald-Citizen

PO Box 2729

Cookeville, TN 38502-2729

Premier Surgery Center / Megan Hastings

1059 Neal Street, Suite B

Cookeville, TN 38501

Acct# 102562

State of Tennessee

County of Putnam ss

Jack McNeely, of the city of Cookeville, in said county and state, being duly sworn, on his oath says that he is the Editor & Publisher of the Herald-Citizen, a daily newspaper of general circulation published in said city, and that the notice, a printed copy of which is hereto annexed, was published in said newspaper for ONE (1) day which publication was made on

May 10, 2017

This legal notice was published online at www.herald-citizen.com and www.publicnoticeads.com during the duration of the run dates listed. This publication fully complies with Tennessee Code Annotated 1-3-120.


Editor and Publisher

Subscribed and sworn to before me this 10th day of May 2017.


Notary Public, Putnam County
State of Tennessee

My commission expires 07/23/18

AMOUNT DUE \$131.52



NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties in accordance with TCA Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Premier Surgery Center (an existing ambulatory surgical treatment center), owned and managed by Clearer Vision, LLC (a limited liability company), intends to file an application for a Certificate of Need to relocate from 1059 Neal Street, Suite B, Cookeville, TN 38501 to a new medical office building under construction at 1125 Perimeter Park Drive from the current location. The project cost is estimated at \$2,688,501 - of which \$680,149 is the actual capital cost. The project will expand the facility's surgical room complement from one operating room and a laser procedure room to two operating rooms and a laser procedure room.

The facility will seek to continue its present licensure by the Board for Licensing Health Care Facilities as an Ambulatory Surgical Treatment Center limited to Ophthalmology. The project does not contain major medical equipment or initiate or discontinue any health service, and it will not affect any facility's licensed bed complements.

The anticipated date of filing the application is on or before May 16, 2017. The contact person for the project is John Walborn, who may be reached at Development Support Group, 4018 Hillside Road, Suite 210, Nashville, TN 37215; (615) 655-2022.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Tennessee Health Services and Development Agency
Andrew Jackson Building, 8th Floor
500 Broadway Street
Nashville, TN 37243

Pursuant to TCA Sec. 68-11-1607(c)(1)(A) any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled, and (B) any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

DEVELOPMENT SCHEDULE

T.C.A. §68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

- 1. Complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.**
- 2. If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the “good cause” for such an extension.**

PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HSDA action on the date listed in Item 1. below, indicate the number of days from the HSDA decision date to each phase of the completion forecast.

PHASE	DAYS REQUIRED	Anticipated Date (MONTH /YEAR)
1. Initial HSDA Decision Date	0	8-23-17
1. Architectural & engineering contract signed	8	9-1-17
2. Construction documents approved by TDH	130	1-1-18
3. Construction contract signed	145	1-15-18
4. Building permit secured	152	1-22-18
5. Site preparation completed	NA	NA
6. Building construction commenced	162	2-1-18
7. Construction 40% complete	268	5-15-18
8. Construction 80% complete	329	7-15-18
9. Construction 100% complete	411	10-15-18
10. * Issuance of license	426	11-1-18
11. *Initiation of service	440	11-15-18
12. Final architectural certification of payment	515	2-1-19
13. Final Project Report Form (HF0055)	530	3-1-19

*** For projects that DO NOT involve construction or renovation: please complete items 11-12 only.**

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

MAY 15 '17 AM 11

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

JOHN WELLBORN, being first duly sworn, says that he is the lawful agent of the applicant named in this application, that this project will be completed in accordance with the application to the best of the agent's knowledge, that the agent has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete to the best of the agent's knowledge.


SIGNATURE/TITLE
CONSULTANT

Sworn to and subscribed before me this 12th day of May, 2017 a Notary
(Month) (Year)

Public in and for the County/State of DAVIDSON




NOTARY PUBLIC

My commission expires July 2, 2018.
(Month/Day) (Year)

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2. Emergency Protocols and Procedures
3. Support Letters

A-4a
Legal Status and Ownership Structure
of Applicant



[Business Services Online](#) > [Find and Update a Business Record](#)

Business Information Search

As of May 11, 2017 we have processed all corporate filings received in our office through May 10, 2017 and all annual reports received in our office through May 10, 2017.

Click on the underlined control number of the entity in the search results list to proceed to the detail page. From the detail page you can verify the entity displayed is correct (review addresses and business details) and select from the available entity actions - file an annual report, obtain a certificate of existence, file an amendment, etc.

Search: 1 of 1

Search Name: Starts With → Contains

Control #:

Active Entities Only: ☐

Control #	Entity Type	Name	Name Type	Name Status	Entity Filing Date	Entity Status
<u>000367067</u>	LLC	CLEARER VISION, LLC TENNESSEE	Entity	Active	03/05/1999	Active

1 of 1

Information about individual business entities can be queried, viewed and printed using this search tool for free.

If you want to get an electronic file of all business entities in the database,
the full database can be downloaded for a fee by [Clicking Here](#).

[Click Here](#) for information on the Business Services Online Search logic.

Division of Business Services
312 Rosa L. Parks Avenue, Snodgrass Tower, 6th
Floor
Nashville, TN 37243
615-741-2286
8:00 a.m. until 4:30 p.m. (Central) Monday - Friday.
[Directions](#) | [State Holidays](#) | [Methods of Payment](#)

[Business Filings and Information](#) (615) 741-2286 | TNSOS.CORPINFO@tn.gov
[Certified Copies and Certificate of Existence](#) (615) 741-6168 | TNSOS.CERT@tn.gov
[Motor Vehicle Temporary Liens](#) (615) 741-0529 | TNSOS.MVTL@tn.gov
[Notary Commissions](#) (615) 741-3499 | TNSOS.ATS@tn.gov
[Uniform Commercial Code \(UCC\)](#) (615) 741-3276 | TNSOS.UCC@tn.gov
[Workers' Compensation Exemption Registrations](#) (615) 741-0526 | TNSOS.WCER@tn.gov
[Apostilles & Authentications](#) (615) 741-0534 | TNSOS.ATS@tn.gov
[Summons](#) (615) 741-1799 | TNSOS.ATS@tn.gov
[Trademarks](#) (615) 741-0531 | TNSOS.ATS@tn.gov
[Nonresident Fiduciaries](#) (615) 741-0536 | TNSOS.ATS@tn.gov

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Our mission is to exceed the expectations of our customers, the taxpayers, by operating at the highest levels of accuracy, cost-effectiveness, and accountability in a customer-centered environment.

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Board for Licensing Health Care Facilities



State of Tennessee

License No. 0000000115

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to
CLEARER VISION, L.L.C.
to conduct and maintain

an Ambulatory Surgical Treatment Center PERIMETER SURGERY CENTER

Located at 1059 NEAL STREET, SUITE B, COOKEVILLE

County of PUTNAM, Tennessee.

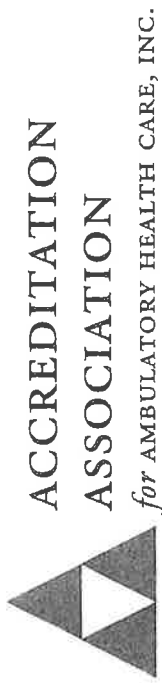
This license shall expire JUNE 08, 2017, *and is subject*
to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable,
and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the
laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.

In Witness Whereof, we have hereunto set our hand and seal of the State this 23RD *day of* MAY, 2016.
In the Speciality(ies) of: OPHTHALMOLOGY



By Vincent J. Davis, MPH
DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By M. J. Davis, MPH
COMMISSIONER



grants this

CERTIFICATE OF ACCREDITATION

to

CLEARER VISION, LLC
D/B/A PERIMETER SURGERY CENTER

1059 NEAL ST, STE B
COOKEVILLE, TN 38501-0947


*In recognition of its commitment to high quality of care and substantial compliance
with the Accreditation Association for Ambulatory Health Care standards for ambulatory health care organizations.*

87266

Organization Identification Number

DECEMBER 8, 2018

The Award of Accreditation expires on the above date


FRANK J. CHAPMAN, MBA
Chair of the Board




STEPHEN A. MARTIN, JR., PH.D., M.P.H.
President and CEO

ASSOCIATION MEMBERS

ASCA Foundation • American Academy of Cosmetic Surgery • American Academy of Dental Group Practice • American Academy of Dermatology
American Academy of Facial Plastic and Reconstructive Surgery • American Association of Oral and Maxillofacial Surgeons • American College of Gastroenterology
American College Health Association • American College of Mohs Surgery • American Congress of Obstetricians & Gynecologists • American Dental Association
American Gastroenterological Association • American Society of Anesthesiologists • American Society for Dermatologic Surgery Association
American Society for Gastrointestinal Endoscopy • Association of periOperative Registered Nurses • Society for Ambulatory Anesthesia



ACCREDITATION NOTIFICATION

January 21, 2016

Organization #	87266		
Organization Name	Clearer Vision, LLC dba Perimeter Surgery Center		
Address	1059 Neal St Ste B,		
City State Zip	Cookeville	TN	38501-0947
Decision Recipient	Mrs. Lindsay Dyer		
Survey Date	11/3/2015-11/4/2015	Type of Survey	Re-Accreditation
Accreditation Type	Full Accreditation		
Accreditation Term Begins	12/9/2015	Accreditation Term Expires	12/8/2018
Accreditation Renewal Code		B069307F87266	
Complimentary AAAHC Institute study participation code		87266FREEIQI	

As an ambulatory health care organization that has undergone the AAAHC Accreditation Survey, your organization has demonstrated its substantial compliance with AAAHC Standards. The AAAHC Accreditation Committee recommends your organization for accreditation.

Next Steps

1. Members of your organization should take time to thoroughly review your Survey Report.
 - Any Standard marked "PC" (Partially Compliant) or "NC" (Non-compliant) must be corrected promptly. Subsequent surveys by AAAHC will seek evidence that deficiencies from this survey were addressed without delay.
 - The Summary Table provides an overview of compliance for each chapter applicable to your organization.
2. AAAHC Standards, policies and procedures are reviewed and revised annually. You are invited to participate in the review through the public comment process each fall. Your organization will be notified when the proposed changes are available for review. You may also check the AAAHC website in late summer for details.
3. Accredited organizations are required to maintain operations in compliance with the current AAAHC Standards and policies. Updates are published annually in the AAAHC *Handbooks*. Mid-year updates are announced and posted to the AAAHC website, www.aaahc.org.

4. In order to ensure uninterrupted accreditation, your organization should submit the *Application for Survey* approximately five months prior to the expiration of your term of accreditation. In states for which accreditation is mandated by law, the *Application* should be submitted six months in advance to ensure adequate time for scoping and scheduling the survey.

NOTE: You will need the Accreditation Renewal Code found in the table at the beginning of this document to submit your renewal application.

Additional Information

The complimentary AAAHC Institute study participation code on the first page of this document may be used to register for one six-month, AAAHC Institute for Quality Improvement benchmarking study. Please visit www.aaahc.org/institute for more information or contact Michelle Chappell at 847.324.7747 or mchappell@aaahc.org.

The packet of brochures and the marketing kit in this mailing are designed to help you use your accreditation to educate and inform multiple audiences—your current and prospective patients, your payers, and your community—about AAAHC accreditation and the quality of care you deliver. Please remember that these are suggestions; tailored marketing activities with specific objectives will be most effective.

Throughout your term of accreditation, AAAHC will communicate announcements via e-mail to the primary contact for your organization. Please be sure to notify us (notify@aaahc.org) should this individual or his/her contact information change.

If you have questions or comments about the accreditation process, please contact AAAHC Accreditation Services at 847.853.6060. We look forward to continuing to partner with you to deliver safe, high-quality health care.

A.6a

Site Control Documentation

LEASE AGREEMENT

BY AND BETWEEN

Cookeville Eye Group General Partnership

("LANDLORD")

AND

Clearer Vision, LLC d/b/a Perimeter Surgery Center

("TENANT")

FOR SPACE AT

1125 Perimeter Park Drive, Cookeville, TN 38501

Dated: _____

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EXHIBITS

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AGREEMENT

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EXHIBIT G- MEMORANDUM OF LEASE

Landlord: Cookeville Eye Group, General Partnership
Address of Landlord: 1059 Neal Street, Cookeville, Tennessee

Address for Payment of Rent: See above

Tenant: Perimeter Surgery Center
Address of Tenant: 1059 Neal Street, Cookeville, Tennessee
Cookeville, Tennessee

Premises Address: 1125 Perimeter Park Drive, Cookeville, TN 38501
Premises Rentable Area: Suite 100, approximately 5,541 rentable square feet

Initial Base Rent for Term:

Period	Base Rent per s/f	Monthly Base Rent	Yearly Base Rent
Full months 1 through 12 inclusive, plus any partial month at the beginning of the Lease Term:	\$32.25	\$14,891.44	\$178,697.25
Full months 13 through 24 inclusive:	\$32.25	\$14,891.44	\$178,697.25
Full months 25 through 36 inclusive:	\$32.25	\$14,891.44	\$178,697.25
Full months 37 through 48 inclusive:	\$32.25	\$14,891.44	\$178,697.25
Full months 49 through 60 inclusive:	\$32.25	\$14,891.44	\$178,697.25
OPTIONAL 4 (FOUR), FIVE (5) YEAR EXTENSION			
Full months 61 through 72 inclusive:	\$33.22	\$15,339.34	\$184,072.02
Full months 73 through 84 inclusive:	\$33.22	\$15,339.34	\$184,072.02
Full months 85 through 96 inclusive:	\$33.22	\$15,339.34	\$184,072.02
Full months 97 through 108 inclusive:	\$33.22	\$15,339.34	\$184,072.02
Full months 109 through 120 inclusive:	\$33.22	\$15,339.34	\$184,072.02

	Base Rent per s/f	Monthly Base Rent	Yearly Base Rent
Full months 121 through 180 inclusive:	..\$34.22	\$ 15,801.09	\$ 189,613.02
Full months 181 through 240 inclusive:	\$35.25	\$ 16,276.69	\$ 195,320.25
Full months 241 through 300 inclusive:	\$36.31	\$ 16,766.14	\$ 201,193.71

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease"), made and entered into on _____ (the "Effective Date"), by and between, Cookeville Eye Group General Partnership, a general partnership authorized to do business in Tennessee ("Landlord"), and Clearer Vision, LLC d/b/a Perimeter Surgery Group ("Tenant").

WITNESSETH:

WHEREAS, Landlord desires to demise, lease and rent unto Tenant, and Tenant desires to rent and lease from Landlord space located at 1125 Perimeter Park Drive, Cookeville, TN 38501, as more particularly described on Exhibit A (the "Building"), together with all improvements thereon and appurtenant rights thereto including, without limitation, parking areas, easements, declarations and rights of way; and

WHEREAS, the Building contains approximately 18,500 rentable square feet (the "Building Rentable Area") and the leased premises (the "Premises") shall consist of approximately 5,541 rentable square feet (the "Premises Rentable Area") located in Suite 100 as more fully depicted on the floor plan attached as Exhibit B.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, Landlord does hereby demise, lease and rent unto Tenant and Tenant does hereby rent and lease from Landlord the Premises, under and pursuant to the following terms and conditions:

1. Demise; Premises. Landlord leases to Tenant, and Tenant leases from Landlord, the Premises and all easements and appurtenances related thereto, for the rents, covenants and conditions (including limitations, restrictions and reservations) hereinafter provided, together with parking for Tenant's employees, patients and invitees in the locations shown on Exhibit A and the nonexclusive right to use all Common Areas (as defined in Section 20.1(a)).

2. Term and Delivery of Premises.

2.1 **Term.** The term of this Lease shall be for 60 months (the "Term") and shall commence (the "Commencement Date") upon the date that the Landlord receives a Certificate of Occupancy from the local building officials, or Substantial Completion has occurred. Landlord shall deliver possession of the Premises to Tenant on the Commencement Date. The expiration date of the Term shall be the last day of the 60th month following the Commencement Date (the "Expiration Date"), unless the Term is renewed in which event the Expiration Date shall extend to the end of such exercised renewal period. Each 12-month period beginning on the Commencement Date or any anniversary thereof shall hereinafter be called a "Lease Year." Upon determination of the Possession Date and Commencement Date, Landlord shall complete, execute and forward a Commencement Date Memorandum in the form attached as Exhibit C to Tenant for Tenant's approval and execution. In the event the Possession Date does not fall on the first day of the month, Base Rent and Additional Rent shall be prorated for any partial month and Tenant shall pay for such proration on the first day of the month following the Commencement Date.

2.2 **Completion of the Premises.** Upon Substantial Completion (as defined below) of the Premises, Landlord and Tenant will inspect the Premises and develop a "punch list" identifying the corrective work of the type commonly found on an architectural punch list with respect to all improvements, which list will be in the Landlord's reasonable discretion based on whether such items were included in the scope of work that the Landlord agreed to provide to the Tenant for the buildout. If Tenant refuses to inspect the Premises with Landlord promptly after Substantial Completion, Tenant is deemed to have accepted the Premises as delivered. Within ten (10) days after delivery of the punch list, Landlord will commence the correction of the punch list and diligently pursue such work to completion. The punch list procedure to be followed by the Landlord and Tenant does not limit the Tenant's obligation to occupy the Premises under the Lease or in any way excuse the Tenant's obligation to pay Rent as provided herein unless such punch list items preclude Tenant from occupying the Premises as reasonably determined by the Landlord and Tenant.

2.3 **Substantial Completion.** Substantial Completion as used herein means delivery of written notice to the Tenant of the completion of construction of the Premises pursuant to the scope of work that the Landlord agreed to provide to the Tenant for the buildout so the Premises is ready to be occupied and used for its intended purpose with the exception of minor detail of construction installation, decoration or mechanical adjustments.

2.4 **Security Deposit.** Tenant shall remit a security deposit equal to one months' rent, or \$14,891.44 as security for any damage caused by Tenant to the Premises beyond ordinary wear and tear.

3. **Rent.** Beginning on the Commencement Date, Tenant shall pay as initial annual base rent ("Base Rent") the amount set forth in the Data Sheet, in advance, on the first day of each calendar month during the Term, such monthly installment and any Additional Rent or other charges to be prorated for any partial calendar month in which the Commencement Date or Expiration Date occurs.

Except as otherwise provided in this Lease, it is the intention of the parties that Landlord shall receive Base Rent, Additional Rent, and all sums payable by Tenant under this Lease free of all taxes, expenses, charges, damages and deductions of any nature whatsoever (except as otherwise provided herein).

4. Renewals. Tenant shall have the right and option to renew this Lease for four (4) additional period of five (5) years, next immediately ensuing after the expiration of the initial Term and any subsequent renewal period by notifying Landlord in writing not more than 24 months and not less than six months before the expiration of the immediately preceding initial Term or subsequent renewal Term of Tenant's intention to exercise its option to renew. Notwithstanding prior delivery of such notice, the notice shall be effective, notwithstanding anything to the contrary in such notice, not earlier than six months before the expiration of the immediately preceding initial Term. In the event Tenant fails to provide a renewal notice during such period, Landlord shall notify Tenant in writing within 90 days prior to expiration of the then existing Term of Tenant's option to extend this Lease. Tenant shall then have an additional 30-day period after receipt of Landlord's notice to exercise its right of renewal. In the event that Tenant so elects to extend this Lease, then, for such extended period of the Term, all of the terms, covenants and conditions of this Lease shall continue to be, and shall be, in full force and effect during such extended period of the Term, except that Base Rent shall be paid as set forth in the Data Sheet.

5. Condition of Premises. Landlord warrants to Tenant, for a period of one year after the Commencement Date that the existing systems and equipment constituting a part of the Premises will be in good order and condition. Tenant shall give written notice to Landlord within such one year period of any existing condition with the existing systems and equipment of the Premises which Tenant reasonably determines to be defective or other than as represented by Landlord herein. Landlord will, upon receipt of such notice from Tenant, promptly repair such defective condition, at Landlord's cost and expense. Landlord represents and warrants that the roof and roof membrane are free of leaks and in good condition as of the Possession Date.

6. Use of Premises. Tenant may occupy and use the Premises during the Term for purposes of the operation of surgery center and only on such terms and conditions as approved by the Tennessee Department of Health (the "Permitted Use"). Tenant may operate during such days and hours as Tenant may determine, without the imposition of minimum or maximum hours of operation by Landlord, and Tenant shall have exclusive use of and full-time access to the Premises, and may operate, up to 24 hours per day, seven days per week, year-round.

7. Assignment/Subletting. Except for a Permitted Transfer (as defined below), Tenant shall not assign this Lease, or sublet the Premises, or any part thereof, without Landlord's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed. Any denial by Landlord of such sublease or assignment by Tenant must be predicated upon a commercially or legally reasonable basis for such denial. Prior to any sublease or assignment, Tenant shall first notify Landlord in writing of its election to sublease all or a portion of the Premises or to assign this Lease or any interest hereunder. At any time within 30 days after service of such notice, Landlord shall notify Tenant that it consents or refuses to consent to the sublease or assignment. A failure by Landlord to respond within such 30-day period shall be deemed to be a consent.

Notwithstanding the foregoing, no consent of Landlord is required for Tenant to assign, sublet or otherwise transfer (by operation of law or otherwise) this Lease or any of its rights hereunder to: (i) any person, corporation, partnership or other entity which acquires all or substantially all of the business or assets of Tenant or equity in Tenant; (ii) any person, corporation, partnership or other entity which controls, is controlled by or is under common control with Tenant; (iii) any affiliate (within the meaning of such term as set forth in Rule 501 of Regulation D under the Federal Securities Act of 1933, as amended) of Tenant; or (iv) any physician, person, corporation, partnership or other entity subleasing a portion of the Premises for purposes consistent with Tenant's Permitted Use (each a "Permitted Transfer").

No assignment, sublease or other transfer, in whole or in part, of any Tenant's rights or obligations under this Lease shall release Tenant hereunder and Tenant shall remain responsible for performing Tenant's obligations hereunder should Tenant's assignee, subtenant or transferee fail to perform any such obligations, unless specifically provided otherwise by Landlord in writing.

8. Operating Expenses and Utilities.

8.1 The parties acknowledge that this Lease is a triple net lease and the Base Rent does not include Operating Expenses, Taxes, Insurance or CAM Charges (as defined below). "Taxes" shall mean Tenant's pro-rata share of all real property taxes, public charges and assessments assessed or imposed during the Term upon the Building or land on which the Building is located. Landlord shall pay all Taxes prior to delinquency. "Insurance" shall mean Tenant's pro-rata share of all insurance premiums paid for the Building pursuant to the requirements of Section 18.1 below. "CAM Charges" shall mean all maintenance charges for the Building and the Common Areas (as defined in 8.3 below).

8.2 Operating Expenses. Tenant shall pay the cost of all utilities and other services necessary in the operation of the Premises, including but not limited to, gas, fuel oil, electrical, telephone, cable, satellite, internet, janitorial and other utility charges. The Premises shall be separately metered for all utilities, including gas, water and electricity.

8.3 CAM Charges. Tenant shall pay as Additional Rent each month its pro-rata portion of CAM Charges. CAM Charges shall include all costs associated with the Landlord's operation and maintenance of the Building and the common areas of the Building which shall include but not be limited to: management and accounting, building security, repairs, maintenance, utilities (water, gas, electricity, internet, phone, cable, satellite, etc.) for the common areas, maintenance (elevator, landscape, interior, and common area janitorial services), and any other charge, expense or cost required by the Landlord to fulfill its obligations under Section 20.1(a) of this Lease, including without limitation, wages, salaries and other compensation of employees of the Landlord.

8.4 Additional Rent. Tenant shall pay monthly with its payment of Base Rent as Additional Rent, Taxes, Insurance and CAM Charges which, combined shall be estimated and assessed at \$8.00 per square foot, payable monthly, for the first year of the Lease. At the end of the first year, Taxes, Insurance and CAM Charges shall be calculated based on actual expenditures. Should the actual Taxes, Insurance and CAM Charges exceed the estimated

charge, Tenant shall tender an additional payment to Landlord within ten (10) days of receipt of an invoice therefor. Should the first years' estimated Taxes, Insurance and CAM expenses exceed actual expenses, Landlord shall refund the overpayment to the Tenant. Thereafter, each years' CAM Charges shall be based on the preceding years' actual Taxes, Insurance and CAM Charges with an adjustment being made after actual Taxes, Insurance and CAM Charges are known for the year.

9. Landlord Improvements. Landlord shall construct improvements to the Premises (the "Premises Improvements"). Landlord shall contract for the Premises Improvements with a contractor of Landlord's choice. Landlord and Tenant shall mutually approve the plans and specifications of Premises Improvements prior to the commencement of such work. The Landlord shall provide a maximum allowance of \$892,000.00 for the Premises Improvements which shall include costs of planning, design, permitting, construction labor and materials of the Premises. Any unused allowance shall be maintained by the Landlord. Tenant shall be required to fund any expenditures that exceed the maximum buildout allowance. Within forty-five (45) days of the Effective Date, the Tenant shall submit their plans to the Architect.

Tenant shall have the right, at its own cost and expense, to place a generator and biomedical waste container outside of and in close proximity to the Premises. In the event the generator is located within the Premises, Tenant, at Tenant's cost and expense, shall have the right to install exhaust venting for such generator from the interior of the Premises to the outside of the Building and a transfer switch to service the generator.

To the maximum extent permitted by applicable Laws, Landlord hereby waives any rights which Landlord may have, as to any of Tenant's furniture, fixtures, equipment, personal property, improvement and alterations, in the nature of a landlord's lien, security interest or otherwise and further waives the right to enforce any such lien or security interest.

10. Improvements/Signage. Tenant is solely responsible for the performance and expense of design, layout provision, delivery and installation of any furniture, furnishings, telephone systems, computer systems, office equipment, personal property and any trade fixtures (the "Personal Property") Tenant will use at the Premises. Landlord and Tenant shall work cooperatively to allow Tenant to install its furnish its Personal Property prior to Substantial Completion so as to allow Tenant to commence operations once the Premises are turned over to the Tenant. Tenant shall have the right to erect, affix and display such signage as Tenant may consider necessary or desirable on the exterior and interior walls, doors and windows of the Premises and a sign on the exterior of the Building as shall be agreed to by Landlord in accordance with the rules and regulations of the Building. All such signs shall comply with all applicable zoning Laws. Tenant shall obtain Landlord's prior approval for signs on the exterior of the Building. No individual Tenant signs shall be permitted.

11. Alterations. Tenant shall have the right to make such interior non-structural alterations, additions and improvements to the Premises ("Alterations") that it shall deem desirable for the operation of its business provided that any such Alterations shall not diminish the value of the Premises nor impair the structural integrity of the Premises or the Building. All Alterations shall be in conformance to applicable governmental codes. All alterations shall require Landlord's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed.

12. Environmental.

12.1 Tenant shall not cause or permit any hazardous or toxic substances, materials or waste, including, without limitation, medical waste and asbestos ("Hazardous Substances") to be used, generated, stored or disposed of in, on or under, or transported to or from, the Premises in violation of any applicable local, state, and federal laws, ordinances, statutes, rules, regulations, executive orders, judgments, decrees, case law, and/or other determinations of an arbitrator or a court or other governmental authority, in each case applicable to or binding upon such person or any of its property or to which such person or any of its property is subject ("Laws"), whether now in existence or hereafter adopted, relating to Hazardous Substances or otherwise pertaining to the environment ("Environmental Laws"). Tenant shall periodically cause to be removed from the Premises such Hazardous Substances placed thereon by Tenant or Tenant's agents, servants, employees, guests, invitees or independent contractors in accordance with good business practices, such removal to be performed by persons or entities duly qualified to handle and dispose of Hazardous Substances. Without limiting the generality of the foregoing, Landlord acknowledges that Hazardous Substances, among others, are required for Tenant's business operations. Upon the expiration or earlier termination of this Lease, Tenant shall cause all Hazardous Substances placed on the Premises by Tenant to be removed from the Premises, at Tenant's cost and expense and disposed of in strict accordance with Environmental Laws.

12.2 Tenant shall indemnify, defend (by counsel reasonably acceptable to Landlord) and hold Landlord harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including reasonable attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (i) the presence after the Possession Date in, on, under or about the Premises of any Hazardous Substances caused by Tenant or its agents, servants, employees, guests, invitees or independent contractors; (ii) any discharge or release by Tenant or its agents, servants, employees, guests, invitees or independent contractors after the Possession Date in or from the Premises of any Hazardous Substances; (iii) Tenant's use, storage, transportation, generation, disposal, release or discharge after the Possession Date of Hazardous Substances to, in, on, under, about or from the Premises; or (iv) Tenant's failure to comply with any Environmental Law.

12.3 Tenant shall promptly deliver to Landlord copies of all notices made by Tenant to, or received by Tenant from, any state, county, municipal or other agency having authority to enforce any Environmental Law ("Enforcement Agency") or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises, Building or the land on which the Building is located.

13. Damage to Premises by Fire or Casualty. In the event the Premises shall be damaged by fire or other casualty during the Term, whereby the same shall be rendered untenable, then:

13.1 if the damage to the Premises is so substantial that either: (i) the repair, restoration or rehabilitation of such damage cannot reasonably be expected to be substantially completed within 180 days from the date of such damage or (ii) so much of the Premises is destroyed or rendered untenable by such fire or other casualty as to make use of the Premises as a surgery center, then Tenant may elect to terminate this Lease by giving written notice to Landlord within 30 days of the date of such fire or casualty; or

13.2 if (i) the damage to the Premises is so substantial that the estimated repair costs exceed \$100,000.00 and such damage has occurred within the final 180 days of the then current Term and Tenant has not exercised its renewal option, if any or (ii) the Building is damaged to the extent of 50% or more of the monetary value thereof and Landlord elects not to rebuild the Building, then Landlord may elect to terminate this Lease by giving written notice to Tenant within 30 days of the date of such fire or casualty.

If not so terminated, Landlord shall proceed with all due diligence to repair, restore or rehabilitate the Premises, to substantially its former condition immediately prior to such damage or destruction, at Landlord's cost and expense. Notwithstanding the foregoing, in the event regulatory changes occurring on or after the Effective Date, applicable to sprinklers serving the Premises, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises.

If the Premises are rendered untenable by fire or other casualty, there shall be an abatement of Base Rent and Additional Rent due Landlord by Tenant for the period of time during which the Premises is untenable. If the restoration is not substantially completed within 210 days of such damage, Tenant shall have the option to terminate this Lease by written notice to Landlord. In the event of any termination of this Lease, Base Rent and Additional Rent shall be paid only to the date of such fire or casualty.

In the event that the Premises are partially but not substantially damaged by fire or other casualty, then Landlord shall immediately proceed with all due diligence to repair and restore the Premises to substantially its former condition immediately prior to such damage, at Landlord's cost and expense (excluding restoration of any Tenant Improvements or Alterations which are the responsibility of Tenant hereunder), and Base Rent and Additional Rent shall abate in proportion to that portion of the Premises that is untenable during the period of restoration. Notwithstanding the foregoing, in the event regulatory changes occurring on or after the Effective Date, applicable to sprinklers serving the Premises, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises.

Notwithstanding the foregoing provisions of this Section 13, in the event that insurance proceeds applicable to Alterations or tenant improvements constructed by Tenant at its expense are made available to Tenant, Tenant shall be responsible for restoring such Alterations or tenant improvements; provided, however, that Base Rent and Additional Rent abatement shall continue during such period of restoration so long as Tenant is diligently pursuing the completion of such restoration. In the event that Landlord does not restore the Premises, Tenant shall retain all

insurance proceeds applicable to Alterations and tenant improvements constructed by Tenant at its expense.

14. Eminent Domain.

14.1 **Taking.** If by any lawful authority through condemnation or under the power of eminent domain: (i) the whole of the Premises shall be permanently taken; (ii) less than the entire Premises shall be permanently taken, but the remainder of the Premises are not, in Tenant's sole judgment, fit for Tenant to carry on the normal operation of Tenant's business therein; (iii) Tenant determines, in its sole judgment, that after such taking adequate parking space will not be available near the Premises; (iv) there is any substantial impairment of ingress or egress from or to or visibility of the Premises; (v) all or any portion of the Common Areas shall be taken resulting in a material interference with the operations of or access to Tenant's business; or (vi) a temporary taking of all or a material portion of the Premises continues for a period of one year, then in any such event, Tenant may terminate this Lease by written notice, effective as of the date of such taking, and Base Rent and Additional Rent shall be prorated as of the date of such termination.

14.2 **Rent Adjustment.** Unless this Lease is terminated as provided in Section 14.1, commencing on the date possession is acquired by a condemning authority, Base Rent and Additional Rent shall be reduced by the then applicable per rentable square foot Base Rent and Additional Rent multiplied by the number of rentable square feet taken, and Landlord shall promptly restore the Premises, common areas, and/or replace parking and access to the Premises, at Landlord's cost and expense, to a complete architectural unit (provided, however, in the event regulatory changes occurring on or after the Effective Date require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises), in substantially the same condition that the same were in prior to such taking. During such restoration Base Rent and Additional Rent shall be abated to the extent the Premises are rendered not useable for the Permitted Use.

14.3 **Awards.** All compensation awarded or paid in any such eminent domain proceeding shall belong to and be the property of Landlord without any participation by Tenant, except that nothing contained herein shall preclude Tenant from prosecuting any claim directly against the condemning authority in such eminent domain proceeding for its relocation costs, its unamortized leasehold improvements and trade fixtures, loss of business and other damages recoverable under applicable Laws.

15. Right of Entry by Landlord. Subject to Landlord's obligations under Section 35, Landlord, or any of its agents, shall have the right to enter the Premises during all reasonable hours and upon at least 24 hours prior notice (except in cases of emergency) to perform its obligations under this Lease, examine the Premises or, in the six month period immediately preceding the Expiration Date, to exhibit the Premises to potential tenants. Any work done by Landlord to Premises shall be performed during hours that Tenant is not open for business (except in emergencies) unless Tenant, in the exercise of its reasonable discretion, otherwise agrees. Any restoration work or alteration work at the Premises which is necessitated by or results from Landlord's entry, including, without limitation, any work necessary to conceal any

element whose presence is permitted hereunder, shall be performed by Landlord at its expense or, at Tenant's election, by Tenant on Landlord's behalf and at Landlord's cost and expense. Landlord shall be liable for all loss, damage or injury to persons or property and shall indemnify and hold Tenant harmless from all claims, losses, costs, expenses and liability, including reasonable attorney's fees resulting from Landlord's entry except to the extent caused by the negligent or intentional act of Tenant or its agents, servants, employees, guests, invitees or independent contractors. In the exercise of Landlord's rights pursuant to this Section, Landlord shall make all reasonable efforts to minimize interference with Tenant's operations.

16. Indemnity. Tenant agrees to indemnify Landlord and save Landlord harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises or Building caused or brought about by the act or neglect of Tenant or its agents, servants or employees. Landlord agrees to indemnify Tenant and save Tenant harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises, Common Areas, Building or the land on which the Building is located caused or brought about by the act or neglect of Landlord or its agents, servants or employees. The indemnities set forth in this Section 16 shall survive termination or expiration of this Lease.

17. Default and Remedies.

17.1 **Tenant Default and Landlord Remedies**. In the event that (i) Tenant defaults in the payment of Base Rent or Additional Rent hereunder and such Base Rent or Additional Rent remains due and unpaid for ten days after its due date; (ii) Tenant defaults in the performance of any other provisions of this Lease and such default is not cured within 30 days following written notice from Landlord specifying such default (unless such default is not reasonably capable of being cured within such 30 day period and Tenant is diligently prosecuting such cure to completion); (iii) a petition in bankruptcy is filed by or against Tenant (provided Tenant shall have 90 calendar days to stay any involuntary proceeding); or (iv) Tenant makes an assignment for the benefit of its creditors, or a receiver is appointed for Tenant and such receiver is not dismissed within 60 days of its appointment, then, in such event, Landlord, at its option, may (1) declare the Tenant in default and accelerate all rental payments for the remainder of the term of the Lease and proceed against the Tenant for the accelerated rental payments, (2) proceed for past due installments of Base Rent or Additional Rent, reserving its right to proceed to collect the remaining installments when due; (3) for a material breach declare the rights of Tenant under this Lease terminated and, thereafter, recover possession of the Premises through legal process, or a combination of any of the foregoing. Notwithstanding the remedy Landlord may seek, the foregoing cure periods shall be applicable.

18. Insurance.

18.1 **Landlord's Insurance**. During the Term, Landlord shall procure and maintain in full force and effect with respect to the Building, Common Areas and the land on which the Building is located (i) a policy or policies of property insurance (including, to the extent

required, sprinkler leakage, vandalism and malicious mischief coverage, and any other endorsements required by the holder of any fee or leasehold mortgage and earthquake, terrorism and flood insurance to the extent Landlord reasonably deems prudent and/or to the extent required by any mortgagee) for full replacement value; and (ii) a policy of commercial liability insurance in a minimum amount of \$1,000,000.00 per claim and \$3,000,000.00 in the aggregate for both bodily injury and property damage insuring Landlord's activities with respect to the Premises and the Building for loss, damage or liability for personal injury or death of any person or loss or damage to property occurring in, upon or about the Premises or the Building.

18.2 Tenant's Insurance. Tenant shall, at Tenant's expense, obtain and keep in force with respect to the Premises and Tenant's use thereof commercial general liability insurance in a minimum amount of \$1,000,000.00 per claim and \$3,000,000.00 in the aggregate for both bodily injury and property damage. In no event shall Tenant's insurance provide coverage or indemnity to Landlord for any claim, loss, suit, action or other legal proceeding in which Landlord or its agents, servants, employees, guests, invitees, or independent contractors bear responsibility. Rather, it is the intent of this Section to provide general liability coverage to Landlord when it is made a party to a claim, loss, suit, action or other legal proceeding for which it bears no responsibility. In the event that both Landlord and Tenant bear responsibility for the claim, loss, suit, action or other legal proceeding, then each party will look to its own insurance for coverage. Tenant may carry any insurance required by this Lease under a blanket policy or under a policy containing a self-insured retention. Tenant shall cause its insurance company to list the Landlord as an Additional Insured and shall provide a certificate of insurance prior to taking possession of the premises.

19. Subrogation. Each of the parties hereto hereby releases the other and the other's partners, agents and employees, to the extent of each party's property insurance coverage, from any and all liability for any loss or damage which may be inflicted upon the property of such party even if such loss or damage shall be brought about by the fault or negligence of the other party or its partners, agents or employees; provided, however, that this release shall be effective only with respect to loss or damage occurring during such time as the appropriate policy of insurance shall contain a clause to the effect that this release shall not affect said policy or the right of the insured to recover thereunder. If any policy does not permit such a waiver, and if the party to benefit therefrom requests that such a waiver be obtained, the other party agrees to obtain an endorsement to its insurance policies permitting such waiver of subrogation if it is commercially available and if such policies do not provide therefor. If an additional premium is charged for such waiver, the party benefiting therefrom, if it desires to have the waiver, agrees to pay to the other the amount of such additional premium promptly upon being billed therefor.

20. Repairs and Maintenance.

20.1 Landlord's Maintenance Responsibilities.

(a) Landlord shall timely clean, maintain, repair, light, operate and insure those portions of the Building, including improvements, space, equipment and special services, which are provided for use in common by Landlord, Tenant and any other tenants of the Building, whether or not those areas are in, on or service the Building, and without regard to whether they are open to the general public, Tenant's employees, patients, customers and other

invitees, or contain facilities or equipment used or usable in the operation of the Building, for which access is restricted to Landlord's personnel. Such areas shall include, without limitation, common restrooms, lobbies, corridors, plazas, aisles, and utility closets located in the Building, all parking areas, access road, driveways, entrances and exits, retaining walls, exterior facilities, landscaped areas, roads and pathways, parking areas, sidewalks, driveways, common utility lines, storm water system, accommodation areas such as sidewalks, grass plots, ornamental planting, direction signs, and the like (collectively, the "Common Areas"). Maintenance services shall include snow and ice removal and repair of the parking lot, and providing security as necessary. Landlord shall maintain insurance for the Common Areas pursuant to the requirements set forth in Section 18.1. Landlord shall maintain and keep the Building and Common Areas in good condition and repair.

(b) Landlord shall, at its sole cost and expense, maintain and keep in good order and repair and promptly make any necessary replacements to the roof, roof membrane, roof covering, concrete slab, footings, foundation, structural components, exterior walls, loading areas, exterior doors and windows, flooring (except for floor covering), utility lines not exclusively serving the Premises, sprinkler, HVAC, plumbing, and electrical systems of the Building.

20.2 Tenant's Maintenance Responsibilities. Except for Landlord's obligations set forth above and except for any damage caused by the acts of negligence by Landlord or its agents, servants, employees, guests, invitees or independent contractors within the Premises, Tenant shall keep the interior, non-structural portions of the Premises, all HVAC systems installed by Tenant, and the non-structural elements of all doors and entrances of the Premises in good order and condition, excepting normal wear and tear, fire, acts of God, acts of Landlord, and/or other casualty or the elements.

21. **Brokers.** Landlord and Tenant each represent to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease.

22. **Title and Parking.** Landlord hereby represents to Tenant that Landlord is the owner in fee simple of the Premises, including the Building and all improvements thereon and has the right and authority to enter into this Lease. Landlord hereby represents to Tenant that no covenants, restrictions, liens or other encumbrances affecting the real property upon which the Building is constructed interfere with or adversely affect Tenant's Permitted Use of the Premises. Landlord further represents that Landlord and those signatories executing this Lease on behalf of Landlord have full power and authority to execute this Lease.

Tenant, Tenant's employees, patients, customers and other invitees shall be entitled to the non-exclusive use of the parking area.

23. **Compliance with Laws.** Both parties shall comply with all applicable Laws throughout the Term. Landlord represents and warrants to Tenant that as of the Commencement Date the Premises, the Building and the parking areas are in compliance with all Laws, including, without limitation, applicable zoning Laws and with all applicable instruments affecting title to the Premises. Landlord further represents that it has received no notices or communications from any public authority having jurisdiction alleging violation of any Laws relating to the Premises,

the Building, or the Common Areas and has received no notices alleging violation of any title instrument.

24. Tenant to Subordinate. Tenant shall, upon request of the holder of a mortgage or deed of trust in the nature of a mortgage on the Premises ("Mortgagee") subordinate any interest which it has by virtue of this Lease, and any extensions and renewals thereof to any mortgages or deeds of trust placed upon the Premises by Landlord, if and only if such Mortgagee shall execute, deliver and record in the appropriate registry of deeds a recognition and non-disturbance agreement in form and content provided in Exhibit D. Landlord shall, at or prior to the Commencement Date, secure from Landlord's present Mortgagee a non-disturbance agreement and Landlord shall secure from any future Mortgagee or lienholder of Landlord a non-disturbance agreement in a form substantially similar to Exhibit D. If Landlord shall not obtain such non-disturbance agreement, then this Lease shall not be subordinate to any such future lien, mortgage, or refinancing.

25. Quiet Enjoyment. Tenant shall, upon payment of the Base Rent and Additional Rent, quietly have and enjoy the Premises during the Term. Landlord agrees that Tenant shall have continuous, peaceful, uninterrupted and exclusive possession and quiet enjoyment of the Premises during the Term.

26. Memorandum of Lease. This Lease shall not be recorded or its terms otherwise disclosed to any third party except as necessary to the Landlord's or Tenant's attorneys or accountants. Concurrent with execution of this Lease, Landlord and Tenant will execute a recordable form of a memorandum or notice of this Lease in the form attached as Exhibit G. Tenant shall be responsible for the cost of recording the same. Upon Landlord's written request, Tenant shall execute and deliver to Landlord a Release of Memorandum of Lease ("Release").

27. Notices. All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be either (i) sent by registered or certified mail, return receipt requested, postage prepaid or (ii) delivered, by hand, or (iii) sent by overnight courier such as Federal Express. All notices to Landlord should be addressed to Landlord at 1059 Neal Street, Cookeville, TN; or at such other place as Landlord may from time to time designate in written notice to Tenant. All notices to Tenant shall be addressed to Tenant at _____ or to any such other place as Tenant may from time to time designate in written notice to Landlord.

28. Estoppel Certificate. Each of Landlord and Tenant agrees at any time and from time to time upon not less than 15 business days' prior written request by the other to execute, acknowledge and deliver to the other an estoppel certificate in the form attached as Exhibit E certifying that (i) this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications), (ii) the dates to which Base Rent and other charges have been paid in advance, if any, and (iii) all of the defaults of Landlord or Tenant hereunder, if any, (and if there are no defaults a statement to that effect), it being intended that any such estoppel certificate delivered pursuant to this Section 30 may be relied upon by any prospective purchaser of the Premises or any mortgagee or assignee of any mortgage upon the fee or leasehold of the Premises or by any prospective

assignee of this Lease or subtenant of the whole or any portion of the Premises and/or by other party interested in the Premises or any part thereof.

29. **Landlord's Sale of the Building.** Upon Landlord's transfer of interest in the Building and the Premises (the "Sale"), Landlord shall be released from all liability to Tenant and Tenant's successors and assigns arising from this Lease because of any act, occurrence or omission of Landlord occurring after such Sale, and Tenant shall look solely to Landlord's successor in connection with the same. Tenant shall remain bound by this Lease to the new landlord. Within 30 days prior to the effective date of a Sale, Landlord shall notify Tenant whether Landlord's successor-in-interest and assignee to this Lease would or would not be a Referral Source as described in Section 31 below.

30. **Tenant's Satellite and Cable Rights.** Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services. Landlord shall use commercially reasonable efforts to ensure that any subsequent rooftop user does not impair Tenant's data transmission and reception and shall cooperate with Tenant in eliminating any interference caused by any other party using the roof. Tenant shall also have the right to run appropriate electrical cabling from the Premises to connect its electrical generator and associated transfer switch.

31. **Regulatory Compliance.** For purposes of regulatory compliance, a "referring physician" or a "referral source" as to Tenant for services paid for by Medicare or a state health care program shall have the meaning as defined under any federal or state health care anti-referral or anti-kickback, regulation, interpretation or opinion ("Referral Source"). In the event Landlord, or Landlord's successors or assigns, become a Referral Source as described in this Section 31, the following Sections 31.1 through 31.3 shall apply but shall have no effect until such time:

31.1 **Compliance.** Landlord and Tenant agree that it is not the purpose of this Lease to exert any influence over the reason or judgment of any party with respect to the referral of patients or other business between Landlord and Tenant, but that it is the parties' expectation that any referrals which may be made between the parties shall be and are based solely upon the medical judgment and discretion of the patient's physician. The parties further agree and acknowledge that (a) Base Rent is (i) set forth in advance; (ii) consistent with fair market value in an arms-length transaction; (iii) does not take into account the volume or value of any referrals or other business generated between the parties; and (iv) would be reasonable even if no referrals were made between the parties, and (b) Tenant's Proportionate Share does not exceed Tenant's pro-rata share for expenses and the Premises Rentable Area does not exceed the reasonable square footage needed for the legitimate business plans of Tenant.

31.2 **Representations.** Each party represents and warrants that: (i) it is not currently excluded from participation in any federal health care program, as defined under 42 U.S.C. Section 1320a-7b; (ii) it is not currently excluded, debarred, suspended, or otherwise ineligible to participate in Federal procurement and non-procurement programs; or (iii) it has not been convicted of a criminal offense that falls within the

scope of 42 U.S.C. Section 1320a-7(a), but has not yet been excluded, debarred, suspended or otherwise declared ineligible (each, an "Exclusion"), and agrees to notify the other party within two (2) business days of learning of any such Exclusion or any basis therefore. In the event of learning of such Exclusion, either party shall have the right to immediately terminate this Lease without further liability.

31.3 Compliance with Law. The parties enter into this Lease with the intent of conducting their relationship in full compliance with applicable federal, state and local laws, including, without limitation, the Anti-Kickback Statute and agree and certify that neither party shall violate the Anti-Kickback Statute in performing under this Lease. Notwithstanding any unanticipated effect of any provisions of this Lease, neither party will intentionally conduct itself under the terms of this Lease in a manner that would violate any such law. Landlord agrees not to request an advisory opinion related to the legality of the Lease without the concurrence and approval of Tenant.

32. Protected Health Information.

32.1 Landlord acknowledges and agrees that from time to time during the Term, Landlord and/or its employees, representatives or assigns may be exposed to, or have access to, Protected Health Information ("PHI"), as defined by HIPAA, 45 CFR Parts 160 and 164. Landlord agrees that it will not use or disclose, and Landlord shall cause its employees, or assigns not to use or disclose, PHI for any purpose unless required by a court of competent jurisdiction or by any governmental authority in accordance with the requirements of HIPAA and all other applicable medical privacy Laws. Landlord further agrees that, notwithstanding the rights granted to Landlord pursuant to this Lease, including Section 15, except when accompanied by an authorized representative of Tenant, neither Landlord nor its employees, agents, representatives or contractors shall be permitted to enter areas of the Premises designated by Tenant as location where patient medical records are kept or stored or where such entry is prohibited by applicable state or federal health care privacy Laws.

32.2 Landlord shall preserve, and cause any of its employees and representatives to preserve, any "Confidential Information" of or pertaining to Tenant and shall not, without first obtaining Tenant's prior written consent, disclose to any person or organization, or use for its own benefit, any Confidential Information of or pertaining to Tenant during and after the Term, unless such Confidential Information is required to be disclosed by a court of competent jurisdiction or by any governmental authority. As used herein, the term "Confidential Information" shall mean any business, financial, personal or technical information relating to the business or other activities of Tenant that Landlord obtains in connection with the Lease.

33. Landlord's Consent. Unless otherwise expressly stated herein, whenever Landlord's consent is required under this Lease, such consent shall not be unreasonably withheld, conditioned or delayed, and Landlord's reasonable satisfaction shall be sufficient for any matters under this Lease.

34. Surrender of Premises. At the expiration of the Term, whether by expiration of time or otherwise, Tenant shall surrender the Premises to Landlord in broom clean condition free of debris and rubbish, excepting damage caused by reasonable wear and tear, fire to the extent

covered by insurance, acts of God, Landlord, condemnation, and/or other casualty or the elements. All alterations which may be made by Tenant shall be the property of Tenant and Tenant shall be entitled to remove from the Premises during the Term all tenant improvements and any and all furniture, removable trade fixtures, equipment and personal property ("Fixtures") installed or located on or in the Premises provided that Tenant repair any and all damage caused by the removal of the foregoing. Any tenant improvements or Fixtures which Tenant does not elect to remove at or prior to the expiration of the Term shall be surrendered with the Premises at the termination of this Lease.

35. Holding Over. In the event Tenant remains in possession of the Premises after the expiration of the Term, or any extensions hereof without the written consent of Landlord, this Lease shall continue on a month-to-month basis, terminable by either party upon 30 days' prior written notice and Tenant shall be obligated to pay Base Rent at 110% the then current rate (including all adjustments) and all other sums then payable hereunder prorated on a daily basis for each day that Landlord is kept out of possession of the Premises. Notwithstanding the foregoing, in the event that applicable Law, including without limitation applicable health care Law, limits the period of any such holdover, both parties shall comply with such applicable Law.

36. Binding Effect. All covenants, agreements, stipulations, provisions, conditions and obligations set forth herein shall extend to, bind and inure to the benefit of, as the case may require, the successors and assigns of Landlord and Tenant respectively, as fully as if any such successor or assign was referenced to wherever reference to Landlord or Tenant, as the case may be, occurs in this Lease.

37. Severability. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by Law.

38. Applicable Law. The Laws of the State where the Premises is located shall govern the validity, performance and enforcement of this Lease, without regard to such State's conflict-of-law principles.

39. Force Majeure. Whenever a day is appointed herein on which, or a period of time is appointed within which, either party hereto is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such party is prevented from, or is interfered with, the doing or completion of such act, matter or thing because of strikes, lock-outs, embargoes, unavailability of labor or materials, wars, insurrections, rebellions, civil disorder, declaration of national emergencies, acts of God or other causes beyond such party's reasonable control.

40. Complete Agreement. Any stipulations, representations, promises or agreements, oral or written, made prior to or contemporaneously with this agreement shall have no legal consequences and the only agreement made and binding upon the parties with respect to the leasing of the Premises is this Lease, as the complete and total integration of the intent and

understanding of Landlord and Tenant. No amendment or modification of this Lease shall be valid or binding unless reduced to writing and executed by the parties hereto.

41. Counterparts. This Lease may be executed in any number of counterparts via electronic transmission or otherwise, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

42. Incorporation of Exhibits. This Lease is subject to the provisions of the attached Exhibits A-G inclusive, which exhibits are hereby made a part of this Lease.

[Signature pages follow.]

IN TESTIMONY WHEREOF, Landlord and Tenant have caused this Lease to be executed as a sealed instrument, effective as of the day and year first above written.

LANDLORD:

TENANT:

Cookeville Eye Group General Partnership

Perimeter Surgery Center

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Date: _____

Date: _____

By: _____

Name: _____

Date: _____

EXHIBIT A

LEGAL DESCRIPTION/BUILDING SITE PLAN

To Be Provided

EXHIBIT B

PREMISES FLOOR PLAN

(To be provided)

EXHIBIT C

FORM OF COMMENCEMENT DATE MEMORANDUM

With respect to that certain lease ("Lease") dated _____, between _____ ("Landlord") and _____ ("Tenant"), whereby Landlord leased to Tenant and Tenant leased from Landlord space located at _____ (the "Premises"). Tenant and Landlord hereby acknowledge as follows:

- (1) Landlord delivered possession of the Premises to Tenant on _____ (the "Possession Date").
- (2) The Term of the Lease commenced on _____ (the "Commencement Date").
- (3) The Expiration Date of the Lease is _____.
- (4) It is agreed that the first Lease Year shall end on _____ and that each subsequent Lease Year shall end on _____.
- (5) Tenant shall commence payment of Base Rent and Additional Rent on _____.
- (6) The Premises contain _____ rentable square feet of space.
- (7) The last dates upon which the respective renewal options may be exercised are _____, _____, _____, and _____.

All capitalized terms herein, not otherwise defined herein, shall have the meaning assigned in the Lease.

IN WITNESS WHEREOF, this Commencement Date Memorandum is executed the date(s) set forth below.

LANDLORD:

_____.

By: _____

Name: _____

Title: _____

Date: _____

TENANT:

_____.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT D

**FORM OF SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") is entered into as of _____, 2017 (the "Effective Date"), between _____ (the "Mortgagee"), and _____ (the "Tenant").

WHEREAS, by Lease dated _____, 20__ (hereinafter called the "Lease"), _____ (hereinafter called "Landlord") has leased to Tenant and Tenant has rented from Landlord the approximately _____ rentable square feet of leased premises ("Tenant's Premises") located within the _____ as more fully described in Exhibit A attached hereto and incorporated by reference (such real property, including all buildings, improvements, structures and fixtures located thereon, "Landlord's Premises").

WHEREAS, Mortgagee has made a loan to Landlord in the original principal amount of \$ _____ (the "Loan"); and

WHEREAS, To secure the Loan, Landlord has encumbered Landlord's Premises by entering into that certain [Mortgage and Security Agreement] dated _____, in favor of Mortgagee (as amended, increased, renewed, extended, spread, consolidated, severed, restated or otherwise changed from time to time, the "Mortgage") recorded on _____, under Clerk's File No. _____, in the Official Public Records of Real Property of the County of _____, State of _____.

WHEREAS, Tenant desires that Mortgagee recognize Tenant's rights under the Lease in the event of foreclosure of Mortgagee's lien, and Tenant is willing to agree to attorn to the purchaser at such foreclosure if Mortgagee will recognize Tenant's right of possession under the Lease.

NOW, THEREFORE, for and in consideration of their respective covenants herein made and the receipt of other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. Definitions.

The following terms shall have the following meanings for purposes of this Agreement.

1.1 *Foreclosure Event.* A "Foreclosure Event" means: (a) foreclosure under the Mortgage; (b) any other exercise by Mortgagee of rights and remedies (whether under the Mortgage or under applicable Law, including bankruptcy Law) as holder of the Loan and/or the Mortgage, as a result of which Successor Landlord becomes owner of Landlord's Premises; or

(c) delivery by Landlord to Mortgagee (or its designee or nominee) of a deed or other conveyance of Landlord's interest in Landlord's Premises in lieu of any of the foregoing.

1.2 *Former Landlord.* A "*Former Landlord*" means Landlord and any other party that was a landlord under the Lease at any time before the occurrence of any attornment under this Agreement.

1.3 *Offset Right.* An "*Offset Right*" means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction or abatement against Tenant's payment of Rent or performance of Tenant's other obligations under the Lease, arising (whether under the Lease or other applicable law) from Landlord's breach or default under the Lease.

1.4. *Rent.* The "*Rent*" means any fixed rent, base rent or additional rent under the Lease.

1.5 *Successor Landlord.* A "*Successor Landlord*" means any party that becomes owner of Landlord's Premises as the result of a Foreclosure Event.

1.6 *Termination Right.* A "*Termination Right*" means any right of Tenant to cancel or terminate the Lease or to claim a partial or total eviction arising (whether under the Lease or under applicable law) from Landlord's breach or default under the Lease.

2. **Subordination.**

The Lease shall be, and shall, at all times, remain subject and subordinate to the lien of the Mortgage, and all advances made under the Mortgage.

3. **Non-disturbance, Recognition and Attornment.**

3.1 *No Exercise of Mortgage Remedies Against Tenant.* So long as the Lease has not been terminated on account of Tenant's default (an "Event of Default"), Mortgagee shall not name or join Tenant as a defendant in any exercise of Mortgagee's rights and remedies arising upon a default under the Mortgage unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Mortgagee may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action. If Mortgagee joins Tenant in such action, Landlord, by executing the Consent hereinafter set forth, agrees to indemnify, defend and hold Tenant harmless from and against any loss, cost or expense incurred or suffered by Tenant, including without limitation, legal fees, in being a party to or arising from such action, which indemnity shall survive termination or expiration of this Agreement.

3.2 *Non-disturbance and Attornment.* If the Lease has not been terminated on account of an Event of Default by Tenant, then, when Successor Landlord takes title to

Landlord's Premises: (a) Successor Landlord shall not terminate or disturb Tenant's possession or quiet enjoyment of Tenant's Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (b) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (c) Tenant shall recognize and attorn to Successor Landlord as Tenant's direct landlord under the Lease as affected by this Agreement; and (d) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant.

3.3 *Further Documentation.* The provisions of Section 3 shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of Section 3 in writing upon request by either of them.

3.4 *Consent to Lease.* Mortgagee hereby consents to the Lease and all the terms and conditions thereof.

4. **Protection of Successor Landlord.**

Notwithstanding anything to the contrary in the Lease or the Mortgage, Successor Landlord shall not be liable for or bound by any of the following matters:

4.1 *Claims Against Former Landlord.* Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment unless and to the extent that Mortgagee was furnished notice and opportunity to cure the same. (The foregoing shall not limit Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment, if any).

4.2 *Prepayments.* Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.

4.3 *Payment; Security Deposit.* Any obligation: (a) to pay Tenant any sum(s) that any Former Landlord owed to Tenant or (b) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Mortgagee.

4.4 *Lease.* Tenant hereby covenants and agrees that, so long as the Mortgage remains in force and effect:

- (a) No Modification, Termination or Cancellation. Tenant shall not consent to any material modification, termination or cancellation of the Lease without Mortgagee's prior written consent, which consent shall not be unreasonably withheld and shall be

deemed given if Mortgagee fails to respond in writing within 15 days following receipt of written notice.

- (b) Notice of Default. Tenant shall notify Mortgagee in writing concurrently with any notice given to Landlord of any breach of or default by Landlord under the Lease. Tenant agrees that Mortgagee shall have the right (but not the obligation) to cure any breach or default specified in such notice within the time period set forth in the Lease for Landlord's performance.
- (c) Assignment of Rents. Upon receipt by Tenant of written notice from Mortgagee that Mortgagee has elected to terminate the license granted to Landlord to collect rents, as provided in the Mortgage, and directing Tenant to make payment thereof to Mortgagee, Tenant shall not be required to determine whether Landlord is in default under any obligations to Mortgagee before complying with such direction and shall not be liable to Landlord for failure to pay Landlord any sums that are paid instead to Mortgagee.

5. **Miscellaneous.**

5.1 *Notices.* All notices or other communications required or permitted under this Agreement shall be in writing and given by certified mail (return receipt requested) or by nationally recognized overnight courier service that regularly maintains records of items delivered. Notices shall be effective the next business day after being sent by overnight courier service, and three (3) business days after being sent by certified mail (return receipt requested). Unless and until notice of a change of address is given under this Agreement, notices or other communications shall be given to Mortgagee and Tenant, respectively, at the following address:

Mortgagee:

Attn: _____

Landlord:

Attn: _____

Tenant:

5.2 *Successors and Assigns.* This Agreement shall bind and benefit the parties their successors and assigns, any Successor Landlord, and its successors and assigns.

5.3 *Entire Agreement.* This Agreement constitutes the entire agreement between Mortgagee and Tenant regarding the subordination of the Lease to the Mortgage and the rights and obligations of Tenant and Mortgagee as to the subject matter of this Agreement.

5.4 *Interaction with Lease and with Mortgage.* If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties to this Agreement and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of non-disturbance agreements by the holder of the Mortgage. Mortgagee confirms that Mortgagee has consented to Landlord's entering into the Lease.

5.5 *Interpretation; Governing Law.* The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the State where the Premises is located, including its principles of conflict of laws.

5.6 *Amendments.* This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by all parties to this Agreement.

5.7 *Execution.* This Agreement may be executed electronically and in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

5.8 *Representations.* Each party represents that it has full authority to enter into this Agreement and that those signatories executing this Agreement on its behalf have full power and authority to execute this Agreement. Mortgagee agrees to keep a copy of this Agreement in its permanent mortgage records with respect to the Loan. This Agreement shall be null and void unless Tenant receives a fully executed original counterpart hereof on or before the sixtieth (60th) day following the date of Tenant's execution.

5.9 *Recordation.* Upon full execution, this Agreement may be recorded in the real property records of the county in which the Premises is located by either party hereto, provided that the recording party delivers to the other party a copy of the recorded document. The recording party shall be responsible for the costs of recording this Agreement.

[Signature page follows.]

MORTGAGEE:

Date: _____

Cookeville, TN (11449)

a

Name: _____

Title: _____

Date: _____

STATE OF _____)
) SS
COUNTY OF _____)

I, _____, a Notary Public in and for the County and State
aforesaid, do hereby certify that _____ the
_____, who is personally known to me to be the same person
whose name is subscribed to the foregoing instrument, appeared before me in person and
acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free
and voluntary act and as the free and voluntary act of said limited liability company, for the uses
and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

LANDLORD'S CONSENT

Landlord consents and agrees to the foregoing Agreement (including without limitation, the provisions of Section 3.1 & 4.4), which was entered into at Landlord's request. The foregoing Agreement shall not alter, waive or diminish any of Landlord's obligations under the Mortgage or the Lease. The above Agreement discharges any obligations of Mortgagee under the Mortgage and related loan documents to enter into a non-disturbance agreement with Tenant and the obligations of Tenant to enter into a subordination agreement with Mortgagee.

LANDLORD:

a _____

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)
) SS
COUNTY OF _____)

I, _____, a Notary Public in and for the County and State aforesaid,
do hereby certify that _____ the _____ of
_____, who is personally known to me to be the same
person whose name is subscribed to the foregoing instrument, appeared before me in person and
acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free
and voluntary act and as the free and voluntary act of said limited liability company, for the uses
and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

Exhibit A to
Subordination, Attornment and Non-Disturbance Agreement
Landlord's Premises

EXHIBIT E

FORM OF ESTOPPEL CERTIFICATE

THIS ESTOPPEL CERTIFICATE is made as of the ____ day of _____, 20____ by _____ in connection with that certain Lease Agreement dated _____ by and between _____, as Tenant and _____, as Landlord (the "Lease") for the premises located at _____ (the "Premises").

[Landlord/Tenant] hereby certifies to the best of [Landlord's/Tenant's] knowledge to _____ as follows:

1. The Lease consists of the following documents: [list documents]. There are no other oral or written agreements or understandings between Landlord and Tenant relating to the Premises.
2. To [Land/lord's/Tenant's] knowledge and belief, the information set forth below is true and correct as of the date hereof:
 - (a) Approximate square footage of the Premises: _____ rentable square feet
 - (b) Monthly installment of Rent as of the date hereof: \$ _____
 - (c) Commencement Date: _____
 - (d) Termination date: _____
 - (e) Security deposit: _____
 - (f) Prepaid rent in the amount of: _____
 - (g) Renewal Options: _____
3. Tenant has accepted possession of the Premises and is in occupancy thereof under the Lease. As of the date hereof, the Lease is in full force and effect.
4. To the best of Tenant's/Landlord's actual knowledge and belief, without inquiry or investigation, there exists no default, no facts or circumstances exist that, with the passage of time or giving of notice, will or could constitute a default, event of default, or breach on the part of either Tenant or Landlord except _____.
5. No rent has been or will be paid more than 30 days in advance.
6. All legal notices to Tenant shall be sent to:

Tenant:

c/o _____

With a copy to:

[Signature page follows.]

IN WITNESS WHEREOF, [Tenant/Landlord] has executed this Estoppel Certificate as of the date first above written.

[TENANT/LANDLORD]:

_____,
a _____

By: _____
Name: _____
Title: _____

EXHIBIT F

INTENTIONALLY OMITTED

EXHIBIT G

FORM MEMORANDUM OF LEASE

Prepared by and Return to:

Parcel ID: _____

MEMORANDUM OF LEASE

This Memorandum of Lease (this "Memorandum") is made and entered into this ____ day of _____, 2017, by and between _____, a _____ ("Landlord") and _____, a _____ ("Tenant"). Tenant and Landlord agree to and acknowledge the following matters:

1. Landlord and Tenant entered into that certain Lease Agreement dated as of _____, 20__ (the "Lease"), wherein Landlord has leased to Tenant, and Tenant has leased from Landlord, subject to the terms, covenants and conditions contained therein, space consisting of approximately _____ rentable square feet (the "Premises"), located at _____, as legally described on Exhibit A, attached and incorporated herein by reference (the "Property").

2. The term of the Lease is for an initial period of 120 months commencing upon the earlier of the Possession Date or the Commencement Date, as defined in the Lease, (the "Lease Term"), subject to a right to extend and renew the Lease for 1 successive additional period of 60 months.

3. Omitted.

4. Omitted.

5. The address of Landlord is _____.

6. The address of Tenant is 1125 Perimeter Park Drive, Cookeville, Tennessee, Suite 100.

7. The purpose of this Memorandum is to give record notice to all persons that Tenant has a leasehold interest in the Premises with related use exclusivity rights, and right of

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by _____, the _____ of _____, a _____ on behalf of the _____.

My commission expires: _____

Notary Public

A-6b(1)a-d

Plot Plan

SITE PLAN NOTES

1. ALL UTILITIES TO BE EXISTING OR TO BE RECONSTRUCTED. THE CONTRACTOR SHALL VERIFY THE LOCATION AND DEPTH OF ALL UTILITIES PRIOR TO CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR THE PROTECTION OF ALL UTILITIES TO REMAIN.
2. LANDSCAPED AREAS SHALL BE CONSIDERED AS PART OF THE BUILDING AND LANDSCAPE DESIGN. ALL LANDSCAPED AREAS SHALL BE DESIGNED TO BE FUNCTIONAL, BEAUTIFUL, AND SUSTAINABLE.
3. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
4. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
5. REFER TO ARCHITECTURAL DRAWINGS FOR BUILDING FOOTPRINT, EXTERIOR FINISHES, AND INTERIOR FINISHES.
6. LANDSCAPE DESIGN SHALL BE IN ACCORDANCE WITH THE CITY OF COOKVILLE LANDSCAPE DESIGN MANUAL.
7. LANDSCAPE DESIGN SHALL BE IN ACCORDANCE WITH THE CITY OF COOKVILLE LANDSCAPE DESIGN MANUAL.
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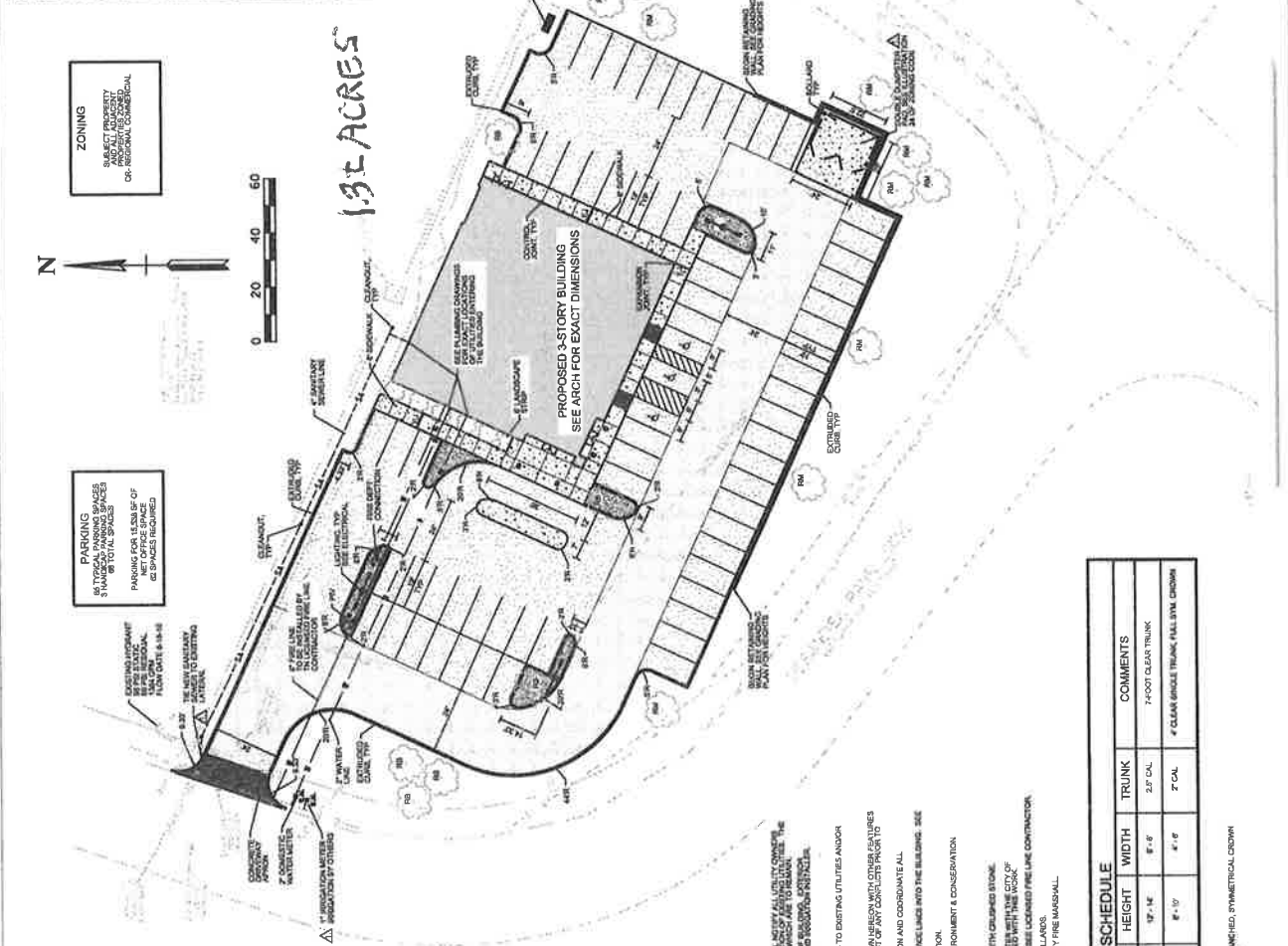


VICINITY MAP
NOT TO SCALE

13.2 ACRES

ZONING
SUBJECT PROPERTY
SHALL BE ZONED
OR REZONE COMMERCIAL

PARKING
MINIMUM PARKING SPACES
SHALL BE PROVIDED
FOR THE PROJECT
AS SHOWN ON THE
PLAN SHEET



- ## SITE UTILITY PLAN NOTES
1. THE LOCATION OF ALL UTILITIES SHALL BE VERIFIED BY THE CONTRACTOR PRIOR TO CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR THE PROTECTION OF ALL UTILITIES TO REMAIN.
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 10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL UTILITIES TO REMAIN.

PLANT SCHEDULE				
QTY.	COMMON NAME	BOTANICAL NAME	HEIGHT	WIDTH
1	RED MAPLE (RM)	ACER RUBRA	12' - 14'	8" - 10"
1	CRABAPPLE (CA)	MALUS DOUGLASII	8' - 10'	8" - 10"
1	DOGWOOD (DW)	CORNUS DOUGLASII	8' - 10'	8" - 10"

- ## NOTES:
1. ALL UTILITIES TO BE EXISTING OR TO BE RECONSTRUCTED. THE CONTRACTOR SHALL VERIFY THE LOCATION AND DEPTH OF ALL UTILITIES PRIOR TO CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR THE PROTECTION OF ALL UTILITIES TO REMAIN.
 2. LANDSCAPED AREAS SHALL BE CONSIDERED AS PART OF THE BUILDING AND LANDSCAPE DESIGN. ALL LANDSCAPED AREAS SHALL BE DESIGNED TO BE FUNCTIONAL, BEAUTIFUL, AND SUSTAINABLE.
 3. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 4. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 5. REFER TO ARCHITECTURAL DRAWINGS FOR BUILDING FOOTPRINT, EXTERIOR FINISHES, AND INTERIOR FINISHES.
 6. LANDSCAPE DESIGN SHALL BE IN ACCORDANCE WITH THE CITY OF COOKVILLE LANDSCAPE DESIGN MANUAL.
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 9. LANDSCAPE DESIGN SHALL BE IN ACCORDANCE WITH THE CITY OF COOKVILLE LANDSCAPE DESIGN MANUAL.
 10. LANDSCAPE DESIGN SHALL BE IN ACCORDANCE WITH THE CITY OF COOKVILLE LANDSCAPE DESIGN MANUAL.

COOKVILLE EYE GROUP
PERIMETER PARK MEDICAL
COOKVILLE, TENNESSEE

SDG
Architecture + Planning

Stamps Design Group, Inc.
127 W. Broad Street
Cookeville, TN 38501
Phone: 931-252-2400



NO.	DATE	REVISION
1	10/1/2018	ISSUED FOR PERMIT
2	10/1/2018	ISSUED FOR PERMIT
3	10/1/2018	ISSUED FOR PERMIT
4	10/1/2018	ISSUED FOR PERMIT
5	10/1/2018	ISSUED FOR PERMIT
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7	10/1/2018	ISSUED FOR PERMIT
8	10/1/2018	ISSUED FOR PERMIT
9	10/1/2018	ISSUED FOR PERMIT
10	10/1/2018	ISSUED FOR PERMIT



THOMAS STREET
COOKVILLE, TENNESSEE 38501
PH: 931-252-2400
FAX: 931-252-2400
WWW.SDGARCHITECT.COM

C-1

A-6b(2)

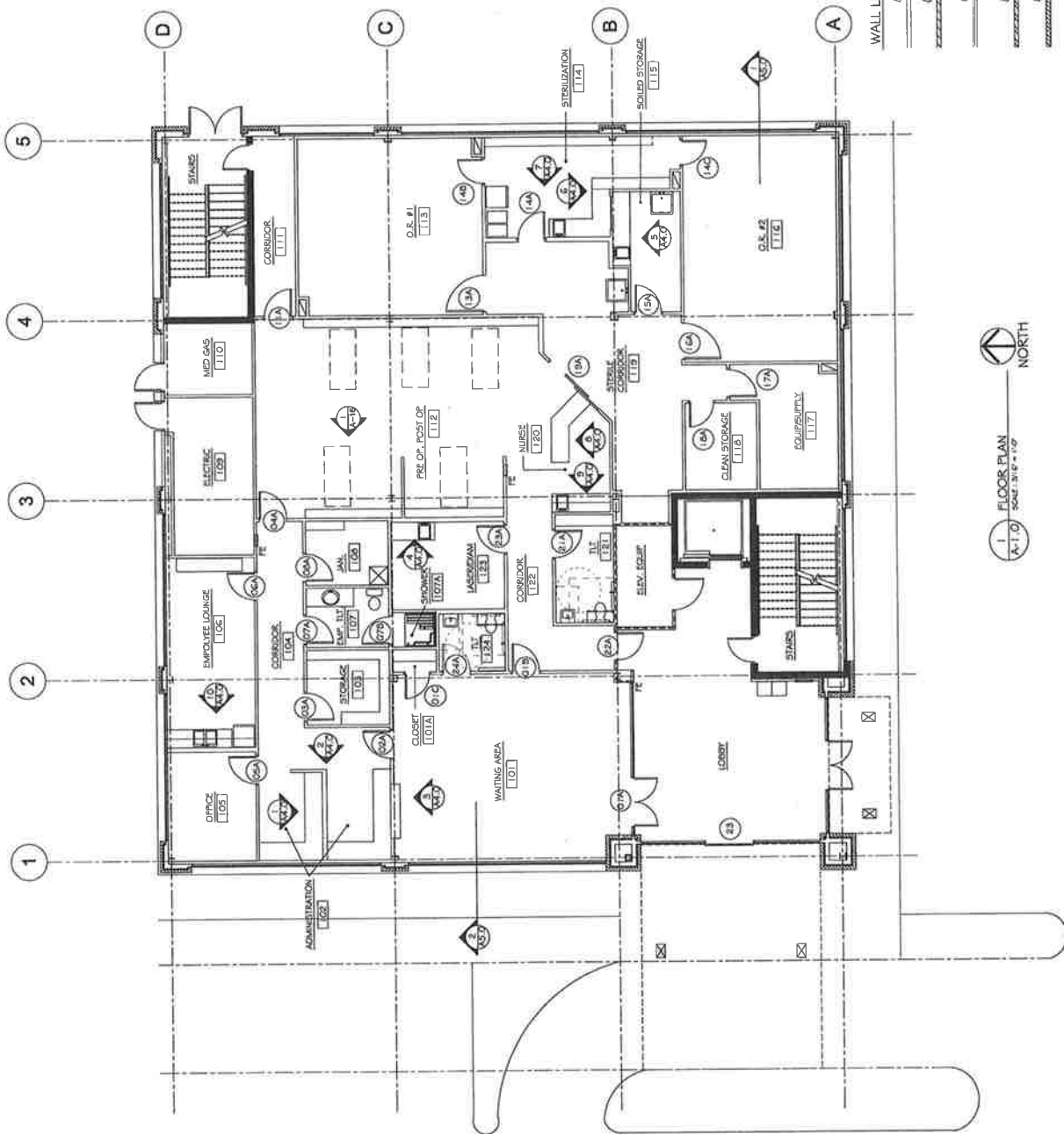
Floor Plans

PERIMETER SURGERY CENTER
PERIMETER PARK DRIVE
COOKEVILLE, TENNESSEE

COOKEVILLE, TENNESSEE

GENERAL NOTES

- [illegible]



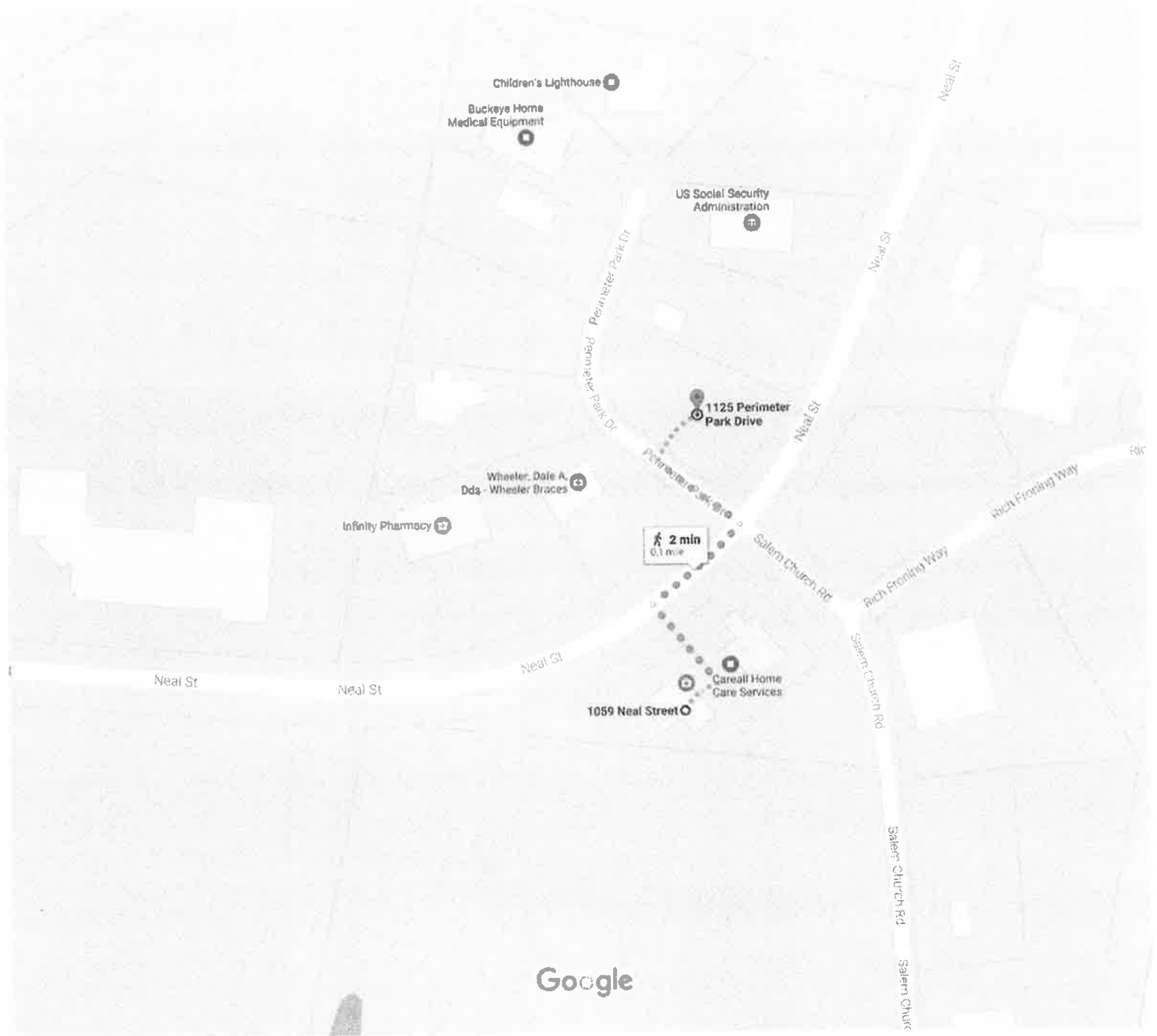
1 FLOOR PLAN
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SCALE: 3/16" = 1'-0"
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Service Area Map

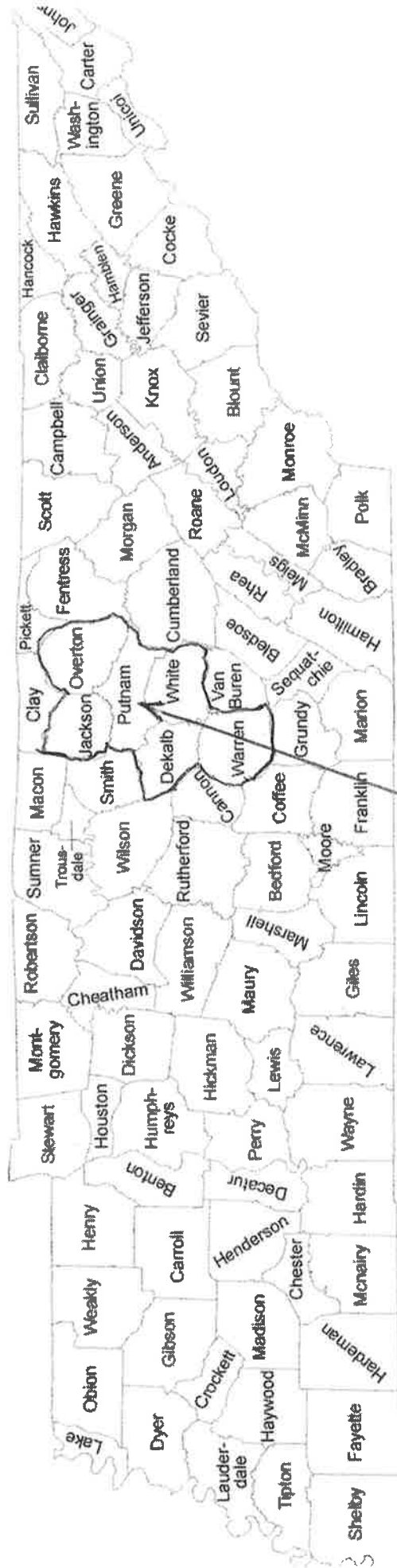


Map data ©2017 Google 100 ft



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**PERIMETER SURGERY CENTER
PRIMARY SERVICE AREA**

B-Need-State Health Plan-6E

Physician Board Certifications and Qualifications

M. Stewart Galloway, M.D.

Practice Information:

Primary office address: Cumberland Eye Care
57 Fairfield Blvd
Crossville, TN 38558

Second office address: Cookeville Eye Specialists, PLLC
1059 Neal Street
Cookeville, TN 38501

Billing address: 57 Fairfield Blvd
Crossville, TN 38558
Phone: (931) 484-3344 Fax: (931) 456-3671

Personal Information:

DOB: 07/24/1965 Birthplace: Pine Bluff, AR
Residence: 847 Laurel Circle, Crossville, TN 38555 Phone: (931) 707-8359
Married, two children

Professional Information:

License: MD 024999, Tennessee Expiration: 07/31/2017
Board Certified: American Academy of Ophthalmology

Professional Experience:

Employed:

07/00 - present **Cumberland Eye Care**
57 Fairfield Blvd., Crossville, TN 38558 (931) 484-3344
Owner/Medical Director and Surgeon

12/00 - present **Cookeville Eye Specialists, PLLC**
1059 Neal Street, Cookeville, TN 38501 (931) 528-1304
Owner/Medical Director and Surgeon

03/97 - 07/00 **Eye Care Center Associates, P.A.**
1100 N. Jackson Street, Tullahoma, TN 37388 (931) 393-2255
Employee 03/97-03/98 Partner 4/98-07/00

07/95 - 03/97 **Crossville Eye Center**
125 Brown Avenue, Crossville, TN 38555 (931) 456-2728

Hospital Staff Privileges:

Cumberland Medical Center, Crossville	Active Staff	08/00 -- Present
Perimeter Surgery Center, Cookeville	Medical Director	05/01 -- Present

Education:

Undergraduate:	8/83 - 5/87 Christian Brothers College 650 E. Parkway So., Memphis TN 38104 Graduated B.S. - Biology
Medical School: Medicine	7/87 - 7/91 University of Tennessee, College of 920 Madison Avenue, Memphis TN 38103 Graduated M.D.
Internship:	7/91 - 06/92 Baptist Memorial Hospital (transitional) 899 Madison Avenue, Memphis TN 38103
Residency:	07/92 - 6/95 University of Tennessee Department of Ophthalmology 920 Madison Avenue, Suite 915, Memphis TN 38103

Professional Membership:

American Academy of Ophthalmology #158050 since 1995
American Medical Association, 1995
Tennessee Ophthalmic Association, 1995

Professional References (not in same practice):

Mark Lee, M.D.	100 Lantana Road Suite 201, Crossville, TN 38555 (931) 4845141 (Internal Medicine)
Robert Nichols, M.D.	100 Lantana Road Suite 201, Crossville, TN 38555 (931) 4845141 (Internal Medicine)
Steven Flatt, M.D.	1101 Neal Street, Cookeville TN 38501 (931) 528-7797 (Family Practice)

Humanitarian Efforts

World Cataract Foundation mission trips to Ometepe, Guerrero, Mexico, annually
11/01-present, including donation of supplies and equipment and staffing of resident
surgeries

CURRICULUM VITAE

Faramarz Hidaji, M.D.

Medical Director
Visionary Eye Care, P.C.
6252 Poplar Avenue
Memphis, TN 38119
(901)219-4170 (m)
fhidaji@visionaryeye.org

AREAS of EXPERTISE:

Comprehensive Pediatric Ophthalmology : pediatric/adult strabismus, pediatric lacrimal disease, ptosis, retinopathy of prematurity, and pediatric cataracts.

Oculoplastics : upper and lower blepharoplasty, brow lift, ptosis repair, tumor removal and eyelid reconstruction.

EDUCATION: *Indiana University*, Fellowship in Pediatric Ophthalmology, 1996 to 1997.
Wills Eye Hospital, Philadelphia, PA, Ophthalmology Residency, 1993 to 1996.
Methodist Hospital, Memphis, TN, Transitional Internship 1992 to 1993.
University of Tennessee at Memphis, College of Medicine, graduated 6/92
Rhodes College, Memphis, TN, B.S. in Biochemistry 1988

BOARD CERTIFICATIONS/AWARDS:

Certified by American Board of Ophthalmology, June, 1998 to present
Member, Alpha Omega Alpha Honor Society
University of Tennessee Distinguished Graduate Award

VOLUNTEER SURGICAL MISSION/TEACHING EXPERIENCE:

Healing the Children NJ, La Romana, Dominican Republic, November 2015
Project Orbis, Niamey, Niger Mission, March 2010
Project Orbis, Deir Eizzor, Syria Mission, May 2009
Project Orbis, Mymensingh, Bangladesh Mission, November 2007
Project Orbis, Chiclayo, Peru Mission, February 2006
Project Orbis, Angeles City, Philippines Mission January 2003
World Cataract Foundation, Ometepe, Mexico, 2001 to 2005

TEACHING/LECTURES

Assistant Clinical Faculty, University of Tennessee Dept. of Ophth. 2001 to present.
Visiting Professor, Southern College of Optometry, 2008 to present.
Volunteer Faculty, Project Orbis, 2003 to present.



EX OBSCURIS LUX

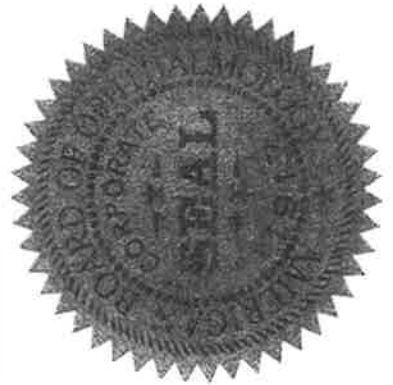
The American Board of Ophthalmology

hereby declares that

Haramarz Iridaji, M.D.

who was originally certified in Ophthalmology, has successfully fulfilled the maintenance of certification requirements of the Board and is Recertified as a Diplomate of the American Board of Ophthalmology.


ISSUED JANUARY 1, 2009
THIS CERTIFICATE IS VALID THROUGH
DECEMBER 31, 2018



Maatla, Simoni Feller
CHAIR



J. S. C.
EXECUTIVE DIRECTOR



EX OBSCURIS LUX

The American Board of Ophthalmology

hereby certifies that

EVERTON L. ARRINDELL, M.D.

has satisfactorily completed an accepted course of graduate study and clinical work, and has successfully passed the examinations in Ophthalmology conducted under the authority of this Board.

Issued November 24, 1991

Myrtle E. Smith
CHAIRMAN

Myrtle E. Smith
VICE-CHAIRMAN

Edward L. Abbott *Wm. F. Allen*

Paul W. Cress *Richard P. Mills*

George Beauchamp *William S. Shults*


William E. Benson *Robert S. Stanger*

John S. Clark *Charles P. Wilkinson*

Samuel H. Day *Irma M. Wilson II*

Lee R. Duff

Don E. Duff
EXECUTIVE DIRECTOR



Everton L. Arrindell, M.D.
Curriculum Vitae 04/29/2016

Office Address	Tennessee Retina, PC 345 23 rd Avenue North, Suite 350 Nashville, TN 37203 Tel (615) 983-6000 Fax (615) 983-6010
Home Address	9269 Wardley Park Lane Brentwood, TN 37027 (615) 377-3161
Personal	Born 8/16/60 U.S. Citizen Married to Saundrett G. Arrindell, M.D. One child, Courtney C. Arrindell
Education <i>High School</i>	Eudora Kean High School St. Thomas, United States Virgin Islands Valedictorian 6/78 University of the Virgin Islands Early Admissions Program 9/77- 5/78
<i>Undergraduate</i>	Michigan State University, Honors College Bachelor of Science, with Honors Physiology 9/78 - 6/82 Harvard University Health Professions Program 6/81 - 8/81
<i>Medical School</i>	University of Iowa College of Medicine Doctor of Medicine 6/82 - 5/86
Post-Graduate Training <i>Internship</i>	Transitional Medicine St. Vincent Hospital and Health Care Center Indianapolis, IN 7/86 - 6/87
<i>Residency</i>	Ophthalmology University of Michigan W.K. Kellogg Eye Center Ann Arbor, MI 7/87 - 6/90

Fellowship

Vitreoretinal Research 7/90 - 6/91
Vitreoretinal Surgery 7/91 - 6/92
Eye Institute, Medical College of Wisconsin, Milwaukee, WI

Licensure Certification

Tennessee State License #MD-023554

Diplomate--American Board of Ophthalmology, November 1991

Academic Appointments

Associate Professor of Ophthalmology
Meharry Medical College
Nashville, TN 6/97-2001

Assistant Professor of Ophthalmology
Meharry Medical College
Nashville, TN 08/92-6/97

Assistant Clinical Professor of Ophthalmology
Vanderbilt University
Nashville, TN 1993-2006

Instructor, Department of Ophthalmology
Medical College of Wisconsin
Milwaukee, WI 07/90 - 06/91

**Hospital Affiliations
& Appointments**

Vitreoretinal Surgeon, Partner
Tennessee Retina, PC
Nashville, TN 01/09-present

Chief, Division of Ophthalmology
Metropolitan Nashville General Hospital
Nashville, TN 1993- 6/2000

Chairman, Department of Ophthalmology
Centennial Medical Center
Nashville, TN 1/96-1/97

Chairman Department of Ophthalmology
Baptist Hospital - Nashville, TN 1/2004-12/2005

Vice-Chairman Department of Ophthalmology
Baptist Hospital- Nashville, TN 1/1999-1/2004

Honors and Awards

Distinguished Community Service Award

American Diabetes Association
January 19, 2008

AAO Council Service Award
The American Academy of Ophthalmology
November 2007

Outstanding Community Service Award
Matthew Walker Community Health Center
Reach 2010 Project
December 2006

The Resident Education Award
Vanderbilt University Department of Ophthalmology
June 2000

George Slocum Resident Research Award
W.K. Kellogg Eye Center, University of Michigan 1990

Walter R. Parker Resident Teaching Award
W.K. Kellogg Eye Center, University of Michigan 1989

National Medical Fellowship, Henry J. Kaiser Award
National award for outstanding academic achievement,
leadership and service in medical school. 1996

University of Iowa, Department of Internal Medicine
Senior Honors Program 7/85 - 5/86

University of Iowa, College of Medicine
Outstanding Student Service Award 6/86

Honors College, Michigan State University 9/79-6/82

Outstanding Student Leadership Award
Michigan State University - 1981

Tutor of the Year Award 1981 - 1982
Office of Supportive Services,
Michigan State University

Amerada Hess Oil Academic Scholarship 1978 - 1982

Professional Affiliations

Fellow, American Academy of Ophthalmology-AAO

Council Member of AAO 2002-2007
AAO Leadership Development Program 2001-2002

Tennessee Academy of Ophthalmology
Board of Directors 2002 -

Tennessee Medical Association(TMA)
TMA Alternate Delegate 2003

Nashville Academy of Medicine
Nashville Academy of Ophthalmology

National Medical Association(NMA)
Chairman of NMA Retina Section

American Society of Retinal Specialists

American Board of Ophthalmology
Associate Examiner 1997-

Educational Activities

Retina Section Chairman, Annual Meetings of the National Medical Association 1998-present

Co-Instructor, Course 749, Retinal Complications of Glaucoma Surgery. Annual Meeting of The American Academy of Ophthalmology, Chicago 1993.

Visiting Professor, Department of Ophthalmology, University of Tennessee Chattanooga, November 20, 1992.

Medical Student Lectures in Ophthalmology, University of Michigan, W.K. Kellogg Eye Center 1988-90.

Teaching Assistant, Medical Histology, University of Iowa College of Medicine 1983-84

Tutor, Medical Biochemistry, University of Iowa College of Medicine 1983-84

Science Tutor, Office of Supportive Services, Michigan State University 1980-82

Civic Activities

Board Member, American Diabetes Association,
Nashville Chapter 8/98-present

Board of Directors, Prevent Blindness Tennessee 2006-

Member, Downtown Nashville Lions Club

Examiner, Iowa Lions Glaucoma and Diabetes Screening Program (mobile unit) 1985

Volunteer Medical Examiner, Iowa City Free Medical Clinic 1985-86

Senior Class Representative, Medical Student Council 1985-86

Treasurer, Student National Medical Association, University of Iowa Chapter 1984-85

Admissions Committee and Screening Subcommittee Member
University of Iowa College of Medicine 1983-1984

Active Member, American Medical Student Association 1982-86

Peer Counselor, Michigan State University Counseling Center

President, Bailey Hall Black Caucus (community service organization), Michigan State University: organized fundraising, selection and presentation of college scholarship awards to economically underprivileged high school students.

Staff Writer, *People's Choice* Newsmagazine, Michigan State University

Vice-President, Minority Pre-Medical Association, Michigan State University

Treasurer, Caribbean Student Association, Michigan State University

Publications

Tsai JC, **Arrindell EL**, O'Day DM: Needle aspiration and endodiathermy treatment of epithelial inclusion cyst of the iris.

American Journal of Ophthalmology 131(2):263-265, Feb 2001

Arrindell EL, Wu JC, Wolf MD, Nanda SK, Han DP, Wong EC, Abrams GW, Hyde JS: High resolution MRI evaluation of blood-retinal barrier integrity following transconjunctival diode laser photocoagulation Arch Ophthalmol 113(1): 96-102, 1995.

Arrindell EL, Han DP: Branch retinal vein occlusion and chorioretinal anastomosis following photocoagulation of a choroidal neovascular membrane. Can J Ophthalmol 1994 (Aug); 29(4): 205-6.

Connor TB Jr; Wolf MD; **Arrindell EL**; Mieler WF. Surgical removal of a fibrotic extrafoveal neovascular membrane with foveal serous detachment in age-related macular degeneration. Retina 1994; 14(2): 125-9.

Han DP, Wang Q, Hartz AJ, Jaffe GJ, Murray TG, Boldt HC, **Arrindell EL**, Coe E, Abrams GW, Mieler WF: Postoperative fibrin formation and visual outcome after pars plana vitrectomy. Retina 14(3): 225-30, 1994.

Abrams GW, **Arrindell EL**, Wolf MD, Mieler WF, Han DP: Advances in vitreous surgery: perfluorocarbon liquids. Proceedings of the Symposium on Retina & Vitreous, New Orleans Academy of Ophthalmology. Retina & Vitreous pg 237-247, 1993.

Arrindell EL, Abrams GW: Vitrectomy surgery for idiopathic macular holes and cysts. Proceedings of the Symposium on Retina & Vitreous, New Orleans Academy of Ophthalmology. Retina & Vitreous pg 163-172, 1993.

Wu JC, Wong EC, **Arrindell EL**, Simons KB, Jesmanowicz A, Hyde JS: In vivo determination of anisotropic diffusion of water, T1 and T2 in the rabbit lens by high resolution MRI. Invest Ophthalmol Vis Sci Jun 34(7): 2151-2158;1993.

Folk JC, Rivers MB, **Arrindell EL**, Bennett SR: Prophylactic treatment of the fellow eye in patients with retinal detachments associated with lattice degeneration. Advances in vitreous surgery - ACTA of the Third International Congress on Vitreoretinal Surgery 395-398, 1992.

Arrindell EL, Jaffe GJ, Burke JM, McKay BS: Modulation of potassium transport in cultured retinal pigment epithelium and retinal glial cells by serum and epidermal growth factor. Exp Cell Res 203: 192-197, 1992.

Arrindell EL, Trobe JD, Sieving PA, Barnett EL: Pupillary and electroretinographic abnormalities in a family with neuronal intracuclear hyaline inclusion disease. Arch Ophthalmol 109:373-378, 1991.

Folk JC, Bennett SR, Klugman MR, **Arrindell EL**, Boldt HC: Prophylactic treatment to the fellow eyes of patients with phakic lattice retinal detachment: analysis of failures and risks of treatment. Retina 10: 165-169, 1990.

Folk JC, **Arrindell EL**, Klugman MR: The fellow eye of patients with phakic lattice retinal detachment. Ophthalmology 96: 72-79, 1989.

Published Abstracts

Arrindell EL, Trobe JD, Sieving PA, Barnett EL: Ocular manifestations of neuronal intracuclear hyaline inclusions disease. Invest Ophthalmol Vis Sci 30 (Suppl) ;514, 1989.

Arrindell EL, Horvath K, Burke JM: Effects of oxygen concentration of cytochrome oxidase activity in cultured human RPE. Invest Ophthalmol Vis Sci 32 (Suppl): 1220, 1991.

Arrindell EL, Wu JC, Wolf MD, Nanda SK, Han DP, Wong EC, Abrams GW, Hyde JS: MRI evaluation of blood-retinal barrier integrity following

transconjunctival diode laser photocoagulation and retinal cryotherapy. Invest Ophthalmol Vis Sci 33 (Suppl): 1125, 1992.

Wolf MD, **Arrindell EL**, Han DP: Retinectomies treated by diode laser activated indocyanine green dye-enhanced fibrinogen glue. Invest Ophthalmol Vis Sci 33 (Suppl): 1316, 1992.

Active Clinical Trials

Title:	Investigator
Project Title:	The Archimedes Study, VGFT-OD-1313
Participation Dates:	2013-present
Principal Investigator:	Franco M. Recchia, M.D.
Corporate Sponsor:	Regeneron Pharmaceuticals, Inc.
Brief Description:	Intravitreal aflibercept injection for recalcitrant CRVO-associated macular edema despite prior anti-VEGF therapy (the ARChiMEDES Study)

Title:	Investigator
Project Title:	BAM114341
Participation Dates:	2013-present
Principal Investigator:	Carl C. Awh, M.D.
Corporate Sponsor:	GlaxoSmithKline
Brief Description:	A Phase 2, multi-centre, randomised, double-masked, placebo controlled, parallel-group study to investigate the safety, tolerability, efficacy, pharmacokinetics and pharmacodynamics of GSK933776 in adult patients with geographic atrophy (GA) secondary to age-related macular degeneration (AMD)

Title:	Investigator
Project Title:	GX29176 ("Chroma")
Participation Dates:	2014-present
Principal Investigator:	Brandon G. Busbee, M.D.
Corporate Sponsor:	Genentech/Roche
Brief Description:	A Phase 3, Multi-Center, Randomized, Double-Masked, Sham-Controlled study to assess the efficacy and safety of Lampalizumab administered intravitreally to patients with geographic atrophy secondary to age-related macular degeneration

Active Clinical Trials (continued)

Title:	Investigator
Project Title:	GX29455 ("Exposure")
Participation Dates:	2015-2016
Principal Investigator:	Brandon G. Busbee, M.D.

Corporate Sponsor:	Genentech/Roche
Brief Description:	A Phase 2, Multi-Center, Randomized, Single-Masked, Sham-Injection Controlled Exposure-Response study of Lampalizumab intravitreal injections administered every two weeks or every four weeks to patients with geographic atrophy.
Title:	Investigator
Project Title:	GX29639 ("Proxima")
Participation Dates:	2015-
Principal Investigator:	Brandon G. Busbee, M.D.
Corporate Sponsor:	Genentech/Roche
Brief Description:	A Multi-Center, Prospective Epidemiologic study of the progression of geographic atrophy secondary to age-related macular degeneration
Title:	Investigator
Project Title:	OPH1003 ("Eclipse")
Participation Dates:	2013-present
Principal Investigator:	Carl C. Awh, M.D.
Corporate Sponsor:	Ophthotech
Brief Description:	A Phase 3 Randomized, Double-Masked, Controlled Trial to Establish the Safety and Efficacy of Intravitreal Administration of Fovista™ (Anti PDGF-B Pegylated Aptamer) Administered in Combination with Lucentis® compared to Lucentis® Monotherapy in Subject with Subfoveal Neovascular Age-Related Macular Degeneration
Title:	Investigator
Project Title:	PAN-01-101
Participation Dates:	2014-present
Principal Investigator:	Kenneth P. Moffat, M.D.
Corporate Sponsor:	PanOptica, Inc.
Brief Description:	A Phase 1 Open-Label, Multi-Center Trial with Randomization to Dose to Evaluate the Safety and Tolerability of Topical Ocular PAN-90806 in Patients with Neovascular Age-Related Macular Degeneration (AMD)

Active Clinical Trials (continued)

Title:	Investigator
Project Title:	R2176-3-AMD-1417 ("Capella")

Participation Dates:	2015-present
Principal Investigator:	Eric W. Schneider, M.D.
Corporate Sponsor:	Regeneron Pharmaceuticals, Inc.
Brief Description:	A Phase 2, double-masked, randomized, controlled, multiple-dose, regimen-ranging study of the efficacy and safety of intravitreal REGN2176-3 in patients with neovascular age-related macular degeneration.

Title:	Principal Investigator
Project Title:	RTH258-C001 ("Hawk")
Participation Dates:	2015-present
Principal Investigator:	Everton Arrindell, M.D.
Corporate Sponsor:	Alcon Research, Ltd.
Brief Description:	A Two-Year, Randomized, Double-Masked, Multicenter, Three-Arm Study Comparing the Efficacy and Safety of RTH258 versus Aflibercept in Subjects with Neovascular Age-Related Macular Degeneration

Title:	Investigator
Project Title:	The ROLL Study, VGFT-OD-1220
Participation Dates:	2012-present
Principal Investigator:	Brandon G. Busbee, M.D.
Corporate Sponsor:	Regeneron Pharmaceuticals, Inc.
Brief Description:	On-label treatment with intravitreal aflibercept injection for patients with persistent epithelial detachments in neovascular AMD (the ROLL study)

Title:	Investigator
Project Title:	SCORE2 Study
Participation Dates:	2014-present
Principal Investigator:	Carl C. Awh, M.D.
Sponsor:	NIH/National Eye Institute
Brief Description:	A Multi-center, Prospective, Randomized, Phase 3, Non-Inferiority trial of eyes with macular edema secondary to central retinal vein occlusion, comparing intravitreal bevacizumab every 4 weeks versus intravitreal aflibercept every 4 weeks

Active Clinical Trials (continued)

Title:	Investigator
Project Title:	X-82-OPH-201 ("Apex")
Participation Dates:	2015-present

Principal Investigator:	Carl C. Awh, M.D.
Corporate Sponsor:	Tyrogenex, Inc.
Brief Description:	A Randomized, Double-Masked, Placebo-Controlled, Dose-Finding, Non-Inferiority Study of X-82 plus <i>prn</i> ivt anti- VEGF compared to <i>prn</i> ivt anti-VEGF monotherapy in neovascular AMD

Title:	Investigator
Project Title:	POT-CP121614 ("Filly")
Participation Dates:	2015-present
Principal Investigator:	Carl C. Awh, M.D.
Corporate Sponsor:	Apellis Pharmaceuticals
Brief Description:	A Phase II, Multicenter, Randomized, Single-Masked, Sham-Controlled Study of Safety, Tolerability and Evidence of Activity of Intravitreal APL-2 Therapy in Patients with Geographic Atrophy (GA)

Title:	Investigator
Project Title:	GX28228 ("Ladder")
Participation Dates:	2015-present
Principal Investigator:	Carl C. Awh, M.D.
Corporate Sponsor:	Genentech, Inc.
Brief Description:	A Phase II, Multicenter, Randomized, Active Treatment – Controlled Study of the Efficacy and Safety of the Ranibizumab Port Delivery System for Sustained Delivery of Ranibizumab in Patients with Subfoveal Neovascular Age-Related Macular Degeneration

Title:	Investigator
Project Title:	BP29647 ("Avenue")
Participation Dates:	2016-
Principal Investigator:	Franco M. Recchia, M.D.
Corporate Sponsor:	F. Hoffmann-La Roche Ltd
Brief Description:	A Multiple- Center, Multiple-Dose and Regimen, Randomized, Active Comparator Controlled, Double-Masked, Parallel Group, 36 Week Study to Investigate the Safety, Tolerability, Pharmacokinetics, and Efficacy of R06567461 Administered Intravitreally in Patients with Choroidal Neovascularization Secondary to Age-Related Macular Degeneration

Active Clinical Trials (continued)

Title: Investigator
Project Title: **8232-CL-3001 ("VIDI")**
Participation Dates: 2016-
Principal Investigator: Brandon B. Busbee, M.D.
Corporate Sponsor: Astellas Pharma Europe B.V.
Brief Description: A Phase 2, Double-Masked, Randomized, Active Controlled
Study to Evaluate the Efficacy and Safety of ASP8232 in Reducing Central Retinal Thickness in Subjects with Diabetic Macular Edema

Title: Investigator
Project Title: **BP30099 ("Boulevard")**
Participation Dates: 2016-
Principal Investigator: Carl C. Awh, M.D.
Corporate Sponsor: F. Hoffmann-La Roche Ltd
Brief Description: A Multiple-Center, Multiple-Dose, Randomized, Active Comparator-Controlled, Double-Masked, Parallel Group, 28-Week Study to Investigate the Safety, Tolerability, Pharmacokinetics, and Efficacy of RO6867461 Administered Intravitreally in Patients with Diabetic Macular Edema

Title: Investigator
Project Title: **OHR-1601**
Participation Dates: 2016-
Principal Investigator: Carl C. Awh, M.D.
Corporate Sponsor: Ohr Pharmaceutical, Inc.
Brief Description: A Phase III Study of the Efficacy and Safety of Squalamine Lactate Ophthalmic Solution, 0.2% Twice Daily in Subjects with Neovascular Age-Related Macular Degeneration

Title: Investigator
Project Title: **VGFTe-OD-1411.02 ("Panorama")**
Participation Dates: 2016-
Principal Investigator: Brandon G. Busbee, M.D.
Corporate Sponsor: Regeneron Pharmaceuticals, Inc.
Brief Description: A Phase 3, Double-Masked, Randomized Study of the Efficacy and Safety of Intravitreal Aflibercept Injection in Patients with Moderately Severe to Severe Non-Proliferative Diabetic Retinopathy

Active Clinical Trials (continued)

Title:	Investigator
Project Title:	R910-3-DME-1518 ("Ruby")
Participation Dates:	2016-
Principal Investigator:	David A. Reichstein, M.D.
Corporate Sponsor:	Regeneron Pharmaceuticals, Inc.
Brief Description:	A Randomized, Double-Masked, Active-Controlled, Phase 2 Study of the Efficacy, Safety, and Tolerability of Repeated Doses of Intravitreal REGN910-3 in Patients with Diabetic Macular Edema

Title:	Investigator
Project Title:	R910-3-AMD-1517 ("Onyx")
Participation Dates:	2016-
Principal Investigator:	David A. Reichstein, M.D.
Corporate Sponsor:	Regeneron Pharmaceuticals, Inc.
Brief Description:	A Randomized, Double-Masked, Active-Controlled, Phase 2 Study of the Efficacy, Safety, and Tolerability of Repeated Doses of Intravitreal REGN910-3 in Patients with Neovascular Age-Related Macular Degeneration

Other Research Activities

Ocular Examination Compliance in an Outpatient Diabetic Population; Meharry Medical College, Nashville TN, 1997-present

Investigator, Meharry Medical College/Vanderbilt University AIDS Clinical Trial Unit funded by The National Institute of Health, 1994-present.

In vitro toxicity of perfluoro-n-octane. Medical College of Wisconsin 1990-1992

Development of an animal model for postvitrectomy lenticular changes . Medical College of Wisconsin 1990-1992

Retinoblastoma survival at a regional treatment center. University of Michigan 1990.

Effects of various oxygen concentrations on the retina of rainbow trout. Michigan State University, Department of Physiology, 1980.

Presentations

Current Management of Endophthalmitis. Annual Meeting of the National Medical Association, Las Vegas, Nevada 1999
New Approaches to the Management of CMV Retinitis. The Matthew Walker Surgical Symposium. Meharry Medical College, Nashville TN 1998

Current Management of Retinopathy of Prematurity. Annual Meeting of the National Medical Association, New Orleans, Louisiana, 1998

Advances in the Management of CMV Retinitis. Annual Meeting of the National Medical Association, Honolulu, Hawaii 1997

Transscleral Diode Retinal Photocoagulation. Annual Meeting of the National Medical Association, Atlanta, Georgia 1996

Advances and controversies in the management of vitreoretinal disease. Nashville Academy of Ophthalmology, September 1995.

Advances in Vitreoretinal Surgery- Perfluorocarbon Liquids. Annual Meeting of the National Medical Association, San Antonio, Texas, 1994

Perfluorocarbon liquids in management of complex retinal detachments. Nashville Academy of Ophthalmology, January 1993.

Perfluorocarbon liquids in vitreoretinal surgery. Grand Rounds, Eye Institute, Medical College of Wisconsin, Milwaukee, WI, January 17, 1992.

Cataract Surgery in Uveitis. Wisconsin Academy of Ophthalmology Meeting, Brookfield, WI, June 12, 1992

Diagnosis and Management of Retinoblastoma, Grand Rounds, Department of Pediatrics, Meharry Medical College, December 16, 1992.

Epidemiology of Ocular Trauma. Midwinter Retina Symposium, Eye Institute, Medical College of Wisconsin, Milwaukee, WI, February, 1991.

Effects of oxygen concentration on cytochrome oxidase activity in cultured human RPE (Arrindell EL, Horvath K, Burke JM). Association for Research in Vision and Ophthalmology Annual Meeting, Sarasota, FL, May 3, 1991.

Effects of oxygen concentration on cytochrome oxidase activity in cultured human RPE (Arrindell EL, Horvath K, Burke JM). Residents' Day, Eye Institute, Medical College of Wisconsin, Milwaukee, WI, May 17, 1991

Growth factor modulation of potassium transport in retinal pigment epithelium and retinal glial cells. Grand Rounds, Eye Institute, Medical College of Wisconsin, Milwaukee, WI, June 20, 1991.

Retinoblastoma Survival 1960-1990. Resident Alumni Day, University of Michigan, W.K. Kellogg Eye Center, May 1990.

Hypopigmented Macular Lesions of the RPE; Eccentric Disciform Lesions. Midwest Fluorescein Conference, Egg Harbor, WI, August 16, 1990.

Radiation Retinopathy. Grand Rounds, University of Michigan, W.K. Kellogg Eye Center, February, 1989.

Pupillary and electroretinographic abnormalities in a family with neuronal intranuclear hyaline disease (Arrindell EL, Trobe JD, Sieving PA, Barnett EL). Association for Research in Vision and Ophthalmology Annual Meeting, Sarasota, FL, May 5, 1989.

Necrotizing Retinitis / Exudative Retinal Detachments. Grand Rounds, University of Michigan, W.K. Kellogg Eye Center, August, 1989.

Orbital Cellulitis. Resident Lecture, University of Michigan, W.K. Kellogg Eye Center, August, 1988.

Ocular Melanosis. Grand Rounds, University of Michigan, W.K. Kellogg Eye Center, November, 1988.

Personal Interests

Sports (tennis, basketball, football), writing poetry, radio sports broadcasting, music (drummer)

References: Available upon request.

B-Need-State Health Plan-8A

Medically Underserved Areas

[Home](#) > [Tools](#) > [Analyzers](#) > [MUA Find](#) > MUA Find Results

MUA Find Results

Search Criteria

Click on a column heading to sort the results in ascending or descending order.

[Start Over](#) | [Modify Search Criteria](#) | [Map View](#)

Data as of 5/14/2017

State: Tennessee
County: Putnam County
MUA ID: All

[Collapse All](#)



01 items in 01 pages

1 Page Size: 20								
County Name (i)	County FIPS Code (i)	Service Area Name (i)	MUA/P Source Identification Number (i)	Designation Type (i)	Population Type (i)	Index of Medical Underservice Score (i)	MUA/P Designation Date (i)	MUA/P Update Date (i)
Putnam County	141	Buffalo Valley Division Service Area	03252	Medically Underserved Area	Medically Underserved Area	59.00	05/12/1994	05/12/1994

MCD (90712) District 4
MCD (91472) District 8

01 items in 01 pages

1 Page Size: 20

Home > Tools > Analyzers > MUA Find > MUA Find Results

MUA Find Results

Search Criteria

Click on a column heading to sort the results in ascending or descending order.

Start Over Modify Search Criteria Map View

Data as of 5/14/2017

State: Tennessee
County: DeKalb County
MUA ID: All

Collapse All



01 items in 01 pages

County Name	County FIPS Code	Service Area Name	MUA/P Source Identification Number	Designation Type	Population Type	Index of Medical Underservice Score	MUA/P Designation Date	MUA/P Update Date
DeKalb County	041	DEKALB SERVICE AREA	03188	Medically Underserved Area	Medically Underserved Area	60.10	11/01/1978	11/01/1978

01 items in 01 pages

Home > Tools > Analyzers > MUA Find > MUA Find Results

MUA Find Results

Search Criteria

Click on a column heading to sort the results in ascending or descending order.

Start Over Modify Search Criteria Map View

Data as of 5/14/2017

State: Tennessee
County: Jackson County
MUA ID: All

Collapse All



1 Page Size: 20

01 items in 01 pages

County Name ⓘ	County FIPS Code ⓘ	Service Area Name ⓘ	MUA/P Source Identification Number ⓘ	Designation Type ⓘ	Population Type ⓘ	Index of Medical Underservice Score ⓘ	MUA/P Designation Date ⓘ	MUA/P Update Date ⓘ
Jackson County	087	Jackson County	1479051600	Medically Underserved Area	Medically Underserved Area	51.20	11/01/1978	05/01/2017

1 Page Size: 20

01 items in 01 pages

MUA Find Results

Search Criteria

Click on a column heading to sort the results in ascending or descending order.

Start Over Modify Search Criteria Map View

Data as of 5/14/2017

State: Tennessee
 County: Overton County
 MUA ID: All

Collapse All



1

Page Size: 20

01 items in 01 pages

County Name ⓘ	County FIPS Code ⓘ	Service Area Name ⓘ	MUA/P Source Identification Number ⓘ	Designation Type ⓘ	Population Type ⓘ	Index of Medical Underservice Score ⓘ	MUA/P Designation Date ⓘ	MUA/P Update Date ⓘ
Overton County	133	OVERTON SERVICE AREA	03223	Medically Underserved Area	Medically Underserved Area	45.70	11/01/1978	11/01/1978

1

Page Size: 20

01 items in 01 pages

[Home](#) > [Tools](#) > [Analyzers](#) > [MUA Find](#) > MUA Find Results

MUA Find Results

Search Criteria

Click on a column heading to sort the results in ascending or descending order.

[Start Over](#) [Modify Search Criteria](#) [Map View](#)

Data as of 5/14/2017

State: Tennessee
County: Warren County
MUA ID: All

[Collapse All](#)



01 items in 01 pages

1								
Page Size: 20								
County Name (↑)	County FIPS Code (↑)	Service Area Name (↑)	MUA/P Source Identification Number (↑)	Designation Type (↑)	Population Type (↑)	Index of Medical Underservice Score (↑)	MUA/P Designation Date (↑)	MUA/P Update Date (↑)
Warren County	177	WARREN SERVICE AREA	07036	Medically Underserved Area	Medically Underserved Area	57.40	11/01/1978	11/01/1978

01 items in 01 pages

[Home](#) > [Tools](#) > [Analyzers](#) > [MUA Find](#) > MUA Find Results

MUA Find Results

Search Criteria

Click on a column heading to sort the results in ascending or descending order.

[Start Over](#) [Modify Search Criteria](#) [Map View](#)

Data as of 5/14/2017

State: Tennessee
County: White County
MUA ID: All

[Collapse All](#)



01 items in 01 pages

1 Page Size: 20								
County Name	County FIPS Code	Service Area Name	MUA/P Source Identification Number	Designation Type	Population Type	Index of Medical Underservice Score	MUA/P Designation Date	MUA/P Update Date
White County	185	Low Income Population of White County	06156	Medically Underserved Area	Medically Underserved Area	57.20	09/19/2000	09/19/2000

01 items in 01 pages

B-Economic Feasibility-1E

Documentation of Construction Cost Estimate

March 3, 2017

Melanie Hill, Executive Director
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: Perimeter Surgery Center
Cookeville, TN

Dear Ms. Hill,

We have reviewed the construction data provided for the proposed tenant interior finish work for the Perimeter Surgery Center suite for the above referenced project. Based upon our experience and knowledge of the current construction market, it is our opinion that a construction cost of \$250 PSF is a reasonable estimate for a 4,960 usable square foot interior build-out making its total cost \$1,240,000.

Below is a summary of building codes and regulations to be followed in completion of this project. This listing may not be entirely inclusive, but the intent is for all applicable codes and regulations being enforced by State and Local agencies at the time of plans submitted to be addressed during the design process.

- Rules of Tennessee Department of Health Board of Licensing Health Care Facilities—including 2010 Guidelines for the Design and Construction of Hospitals and Outpatient Facilities
- Locally Adopted International Building, Mechanical, Plumbing, Gas Codes, and Energy Codes
- National Electrical Code
- National Fire Protection Code (NFPA)
- Americans with Disabilities Act (ADA) and ANSI A117.1

Best Regards,



James G. Stamps, Architect
State license number: 100839

B-Economic Feasibility--2

Documentation of Funding/Financing Availability



412 SOUTH JEFFERSON AVENUE
COOKEVILLE, TN 38501
P.O. BOX 848
COOKEVILLE, TN 38503
PHONE 931.528.BANK (2285)
FAX 931.525.2375
TELEPHONE BANKING 931.525.2388
TIME & TEMPERATURE 931.528.1234
WWW.FNBOTN.COM

May 11, 2017

Melanie M. Hill, Executive Director
Tennessee Health Services and Development Agency
Andrew Jackson State Office Building, Suite 850
500 Deaderick Street
Nashville, TN 37243

RE: Relocation of Perimeter Surgery Center in Cookeville

Dear Mrs. Hill:

This letter is to provide assurance that First National Bank of Tennessee is familiar with the subject project which is being proposed by area ophthalmologists in our community.

Upon submittal and approval of a formal financing application from the company, we would expect to be able to provide both construction and permanent financing for this project. We understand that the financing required would total approximately \$861,000.00 of funding.

The loan package on this project would of course reflect market conditions at the time of loan approval. Currently we would expect to finance this type of project at an interest rate of 3.96% with an amortization of twenty years. Attached is an amortization schedule reflecting that estimate.

We look forward to helping with the financing of this project.

Sincerely,

A handwritten signature in cursive script that reads "Cheryl Sandlin, SVP".

Cheryl Sandlin
Sr. Vice President

Attachment.

Amortization ScheduleCustomer: add customer

Product: Periodic Payment Fixed - P Transaction #:505-

	PAYMENT	PRINCIPAL	INTEREST
YK1	62,398.80	28,816.64	33,582.16
YK2	62,398.80	29,978.72	32,420.08

Payment date	Payment amount	Principal	Interest	A/H	C/L	PMI Unpaid Int	Balance
06/11/2017	5,199.90	2,304.11	2,895.79				858,695.89
07/11/2017	5,199.90	2,405.02	2,794.88				856,290.87
08/11/2017	5,199.90	2,319.95	2,879.95				853,970.92
09/11/2017	5,199.90	2,327.75	2,872.15				851,643.17
10/11/2017	5,199.90	2,427.98	2,771.92				849,215.19
11/11/2017	5,199.90	2,343.75	2,856.15				846,871.44
12/11/2017	5,199.90	2,443.51	2,756.39				844,427.93
YTD total for 2017	\$36,399.30	\$16,572.07	\$19,827.23				
01/11/2018	5,199.90	2,359.85	2,840.05				842,068.08
02/11/2018	5,199.90	2,367.78	2,832.12				839,700.30
03/11/2018	5,199.90	2,649.05	2,550.85				837,051.25
04/11/2018	5,199.90	2,384.66	2,815.24				834,666.59
05/11/2018	5,199.90	2,483.23	2,716.67				832,183.36
06/11/2018	5,199.90	2,401.03	2,798.87				829,782.33
07/11/2018	5,199.90	2,499.13	2,700.77				827,283.20
08/11/2018	5,199.90	2,417.51	2,782.39				824,865.69
09/11/2018	5,199.90	2,425.64	2,774.26				822,440.05
10/11/2018	5,199.90	2,523.03	2,676.87				819,917.02
11/11/2018	5,199.90	2,442.28	2,757.62				817,474.74
12/11/2018	5,199.90	2,539.19	2,660.71				814,935.55
YTD total for 2018	\$62,398.80	\$29,492.38	\$32,906.42				
01/11/2019	5,199.90	2,459.04	2,740.86				812,476.51
02/11/2019	5,199.90	2,467.31	2,732.59				810,009.20
03/11/2019	5,199.90	2,739.25	2,460.65				807,269.95
04/11/2019	5,199.90	2,484.82	2,715.08				804,785.13
05/11/2019	5,199.90	2,580.49	2,619.41				802,204.64
06/11/2019	5,199.90	2,501.86	2,698.04				799,702.78
07/11/2019	5,199.90	2,597.03	2,602.87				797,105.75
08/11/2019	5,199.90	2,519.00	2,680.90				794,586.75
09/11/2019	5,199.90	2,527.48	2,672.42				792,059.27
10/11/2019	5,199.90	2,621.91	2,577.99				789,437.36
11/11/2019	5,199.90	2,544.80	2,655.10				786,892.56
12/11/2019	5,199.90	2,638.73	2,561.17				784,253.83
YTD total for 2019	\$62,398.80	\$30,681.72	\$31,717.08				
01/11/2020	5,199.90	2,564.79	2,635.11				781,689.04
02/11/2020	5,199.90	2,578.04	2,621.86				779,111.00
03/11/2020	5,199.90	2,755.28	2,444.62				776,355.72
04/11/2020	5,199.90	2,595.93	2,603.97				773,759.79
05/11/2020	5,199.90	2,688.35	2,511.55				771,071.44
06/11/2020	5,199.90	2,613.65	2,586.25				768,457.79
07/11/2020	5,199.90	2,705.56	2,494.34				765,752.23
08/11/2020	5,199.90	2,631.49	2,568.41				763,120.74
09/11/2020	5,199.90	2,640.32	2,559.58				760,480.42
10/11/2020	5,199.90	2,731.46	2,468.44				757,748.96
11/11/2020	5,199.90	2,658.34	2,541.56				755,090.62
12/11/2020	5,199.90	2,748.95	2,450.95				752,341.67
YTD total for 2020	\$62,398.80	\$31,912.16	\$30,486.64				
01/11/2021	5,199.90	2,674.02	2,525.88				749,667.65

B-Economic Feasibility-6A

Applicant's Financial Statements

12:20 PM

05/12/17

Accrual Basis

PERIMETER SURGERY CENTER

Profit & Loss

January through December 2016

	Jan - Dec 16
Ordinary Income/Expense	
Income	
PSC INCOME	2,477,499.31
REFUND	
Insurance	-7,264.75
Patient	-5,707.95
Total REFUND	-12,972.70
Total Income	2,464,526.61
Gross Profit	2,464,526.61
Expense	
Amortization Expense	34,849.00
Bank Service Charges	762.43
Continuing Education	185.00
Contract Labor	4,077.93
Credit Card Expense	6,488.67
Depreciation Expense	42,895.00
Dues and Subscriptions	497.00
Equipment Rental	38,300.00
Insurance	
Bldg Contents	557.00
Malpractice Insurance	10,809.00
Work Comp	930.00
Total Insurance	12,096.00
Lease Agreement Fees	186.58
Licenses and Permits	1,537.05
Miscellaneous	0.00
Payroll Expenses	187,987.70
Payroll Taxes	9,019.60
Penalty Expense	0.00
Pension Expense-Employee	2,296.78
Pension Expense-Employer	345.00
Postage and Delivery	1,029.51
Professional Development	45.00
Professional Fees	
Accounting	8,300.00
Consulting	2,125.00
MEDICAL DIRECTOR	7,500.00
Professional Fees - Other	171.00
Total Professional Fees	18,096.00
Rent	
Office Space	84,000.00
Total Rent	84,000.00
Repairs	
Building Repairs	2,626.11
Equipment Repairs	5,856.61
Total Repairs	8,482.72
Service Contract	22,019.01
Supplies	
Medical	864,543.95
Office	4,374.28
Total Supplies	868,918.23
Taxes	
Property	988.00
State	2,100.00

12:20 PM

05/12/17

Accrual Basis

PERIMETER SURGERY CENTER
Profit & Loss
January through December 2016

	Jan - Dec 16
Total Taxes	3,088.00
Telephone	2,528.46
Travel & Ent	
Entertainment	682.97
Gift Employee or Assoc	2,150.00
Meals	13,073.33
Total Travel & Ent	15,906.30
Utilities	14,289.84
Total Expense	1,379,926.81
Net Ordinary Income	1,084,599.80
Other Income/Expense	
Other Income	
GAIN ON SELL OF ASSETS	700.00
Total Other Income	700.00
Net Other Income	700.00
Net Income	1,085,299.80

12:21 PM
05/12/17
Cash Basis

PERIMETER SURGERY CENTER
Balance Sheet
As of December 31, 2016

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	
FIRST TENNESSEE CHKNG - PSC	356,878.27
Total Checking/Savings	356,878.27
Other Current Assets	
Employee Loan	49.00
Total Other Current Assets	49.00
Total Current Assets	356,927.27
Fixed Assets	
754 Equipment	21,981.00
Accumulated Dep-754 Equipment	-21,981.00
Accumulated Depreciation	-208,421.15
Dr Hudson - 754 EQUIP A/D	-11,447.00
DR HUDSON - 754 EQUIPMENT	11,447.00
DR HUDSON - LEASE HOLD IMP	1,289.00
Dr Hudson A/D LI	-1,289.00
Equipment	
Medical	165,623.13
Office	25,004.36
Equipment - Other	2,116.25
Total Equipment	192,743.74
Leasehold Improvements	18,263.56
Total Fixed Assets	2,586.15
Other Assets	
Accum Amort - Dr Hudson	-122,373.00
Accum Amort - Galloway Goodwill	-33,068.00
Accumulated Amort-Goodwill	-33,068.00
Accumulated Amortization-Intang	-74,545.00
Goodwill	70,855.00
Goodwill - DR HUDSON	451,881.50
Intangible Assets	74,546.12
Total Other Assets	334,228.62
TOTAL ASSETS	693,742.04
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	3,769.37
Pension Payable	1,410.89
Total Other Current Liabilities	5,180.26
Total Current Liabilities	5,180.26
Total Liabilities	5,180.26
Equity	
DRAW	
ACH DRAW	-220,000.00
MSG DRAW	-495,000.00
SGF DRAW	-385,000.00
Total DRAW	-1,100,000.00
Investment-Flatt, Steve	117,805.41
Investment-Galloway	153,781.53
INVESTMENT - Hudson	431,645.04

12:21 PM
05/12/17
Cash Basis

PERIMETER SURGERY CENTER
Balance Sheet
As of December 31, 2016

	Dec 31, 16
Retained Earnings	30.00
Net Income	1,085,299.80
Total Equity	688,561.78
TOTAL LIABILITIES & EQUITY	693,742.04

B-Orderly Development-4B

TDOH and Joint Commission Findings and Corrections



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
OFFICE OF HEALTH LICENSURE AND REGULATION
EAST TENNESSEE REGION
7175 STRAWBERRY PLAINS PIKE, SUITE 103
KNOXVILLE, TN 37914

October 27, 2014

Mr. Steven G. Flatt, Administrator
Perimeter Surgery Center
1059 Neal Street, Suite B
Cookeville, TN 37501

Provider # 44C0001108

Dear Mr. Flatt:

The East Tennessee Regional Office of Health Care Facilities conducted a recertification survey on August 18 – 20 and 21, 2014. Fire Safety on-site visit was conducted on September 22, 2014. Based on the reviews, we are accepting your plan of correction and your facility is in compliance with all participation requirements as of September 9, 2014.

If you should have any questions, please contact the East Tennessee Regional Office at (865) 594-9396.

Sincerely,

Karen B. Kirby, R.N.
Regional Administrator
East TN Health Care Facilities

KBK:cvb



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
OFFICE OF HEALTH LICENSURE AND REGULATION
EAST TENNESSEE REGION
7175 STRAWBERRY PLAINS PIKE, SUITE 103
KNOXVILLE, TN 37914

September 4, 2014

Mr. Steven G. Flatt, Administrator
Perimeter Surgery Center
1059 Neal Street, Suite B
Cookeville, TN 37501

Dear Mr. Flatt:

Enclosed is the Statement of Deficiencies developed as the result of the survey conducted at Perimeter Surgery Center on August 18 – 20 and 21, 2014.

In accordance with CFR Title 42 §488.28(b), you are requested to submit a Plan of Correction within ten (10) calendar days after receipt of this letter with acceptable time frames for correction of the cited deficiencies. Corrective action should be achieved no later than **October 5, 2014**, the 45th day from the date of the survey. Please notify this office when these deficiencies are corrected. A revisit may be conducted to verify compliance. Once corrective action is confirmed, a favorable recommendation for recertification will be considered.

Your POC must contain the following:

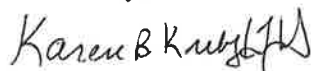
- What corrective action(s) will be accomplished for those patients found to have been affected by the deficient practice;
- How you will identify other patients having the potential to be affected by the same deficiency practice and what corrective action will be taken;
- What measures will be put into place or what systemic changes you will make to ensure that the deficient practice does not recur; and,
- How the corrective action(s) will be monitored to ensure the deficient practice will not recur; i.e., what quality assurance program will be put into place.

Mr. Steven G. Flatt
September 4, 2014
Page 2

Please remember the administrator's signature and date signed must be on the appropriate line at the bottom of form CMS 2567 Statement of Deficiencies/Plan of Correction. Please be advised that under the disclosure of survey information provisions, the Statement of Deficiencies will be available to the public.

Should you have any questions or if there is any way this office may be of assistance, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karen B. Kirby".

Karen B. Kirby, R.N.
Regional Administrator
East TN Health Care Facilities

KBK:cvb

Enclosure

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 08/21/2014
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 44C0001108	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 08/20/2014
NAME OF PROVIDER OR SUPPLIER PERIMETER SURGERY CENTER			STREET ADDRESS, CITY, STATE, ZIP CODE 1059 NEAL STREET, SUITE B COOKEVILLE, TN 38501		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)		(X5) COMPLETION DATE
Q 000	INITIAL COMMENTS During a Certification Survey completed on August 20, 2014, no deficiencies were cited under 42 CFR Part 416 Requirements for Ambulatory Surgical Centers.	Q 000			

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNP535115	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____ B. WING: _____	(X3) DATE SURVEY COMPLETED 08/20/2014
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NAME OF PROVIDER OR SUPPLIER PERIMETER SURGERY CENTER	STREET ADDRESS, CITY, STATE, ZIP CODE 1059 NEAL STREET, SUITE B COOKEVILLE, TN 38501
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
A 001	1200-8-10 Initial During a State Licensure Survey, completed on August 20, 2014, no deficiencies were cited under 1200-8-10, Standards for Ambulatory Surgical Treatment Centers.	A 001		

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 08/21/2014
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 44C0001108	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN BUILDING B. WING _____	(X3) DATE SURVEY COMPLETED 08/21/2014
NAME OF PROVIDER OR SUPPLIER PERIMETER SURGERY CENTER			STREET ADDRESS, CITY, STATE, ZIP CODE 1059 NEAL STREET, SUITE B COOKEVILLE, TN 38501	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
K 147	<p>416.44(b)(1) LIFE SAFETY CODE STANDARD</p> <p>Electrical wiring and equipment are in accordance with NFPA 70, National Electrical Code 9.1.2, 20.5.1</p> <p>This STANDARD is not met as evidenced by: Based on observations, it was determined the facility failed to maintain the electrical system.</p> <p>The findings included:</p> <p>On 8/21/14 at 10:20 A.M. observation within the attic area revealed the low voltage wiring on the Heating and Cooling unit were all entangled including some loose end connections without wire nuts.</p> <p>This finding was acknowledged by the Manager during the exit interview on 8/21/14.</p>	K 147		

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

A deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

AUG 25 2014

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNP535115	(X2) MULTIPLE CONSTRUCTION A. BUILDING: 01 - MAIN BUILDING B. WING _____	(X3) DATE SURVEY COMPLETED 08/21/2014
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NAME OF PROVIDER OR SUPPLIER

STREET ADDRESS, CITY, STATE, ZIP CODE

PERIMETER SURGERY CENTER

**1059 NEAL STREET, SUITE B
COOKEVILLE, TN 38501**

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
A 002	1200-8-10 No Deficiencies Based on observations, testing, and records review it was determined the facility had no Life Safety deficiencies.	A 002		

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

DATE FORM

6899

HTKU21

If continuation sheet 1 of 1

AUG 25 2014

FAX TRANSMITTAL

STATE OF TENNESSEE
DEPARTMENT OF HEALTH
HEALTH CARE FACILITIES

TO: Steven G. Flatt, Administrator
Perimeter Surgery Center

FAX NUMBER: (931) 646-7059 PHONE: (931) 646-7058

FROM: Karen B. Kirby, RN, Regional Administrator/CVB
Health Care Facilities - ETRO

FAX NUMBER: (865) 594-5739

DATE: September 4, 2014

NUMBER OF PAGES INCLUDING THIS ONE: 7

IF YOU HAVE ANY QUESTIONS, CALL (865) 594-9396

SUBJECT/MESSAGE: Original Statement of Deficiencies to follow by mail.

Your Plan of Correction is due in this office by September 14, 2014.

Thank You. CVB

CONFIDENTIALITY NOTICE: The information contained in this message is confidential and is intended solely for the use of the person or entity named above. This message may contain individually identifiable information that must remain confidential and is protected by state and federal law. If the reader of this message is not the intended recipient, the reader is hereby notified that any dissemination, distribution or reproduction of this message is strictly prohibited. If you have received this message in error, please immediately notify the sender by telephone and destroy the original message. We regret any inconvenience and appreciate your cooperation.



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
OFFICE OF HEALTH LICENSURE AND REGULATION
EAST TENNESSEE REGION
7175 STRAWBERRY PLAINS PIKE, SUITE 103
KNOXVILLE, TN 37914

September 4, 2014

Mr. Steven G. Flatt, Administrator
Perimeter Surgery Center
1059 Neal Street, Suite B
Cookeville, TN 37501

Dear Mr. Flatt:

Enclosed is the Statement of Deficiencies developed as the result of the survey conducted at Perimeter Surgery Center on August 18 – 20 and 21, 2014.

In accordance with CFR Title 42 §488.28(b), you are requested to submit a Plan of Correction within ten (10) calendar days after receipt of this letter with acceptable time frames for correction of the cited deficiencies. Corrective action should be achieved no later than **October 5, 2014**, the 45th day from the date of the survey. Please notify this office when these deficiencies are corrected. A revisit may be conducted to verify compliance. Once corrective action is confirmed, a favorable recommendation for recertification will be considered.

Your POC must contain the following:

- What corrective action(s) will be accomplished for those patients found to have been affected by the deficient practice; *N/A*
- How you will identify other patients having the potential to be affected by the same deficiency practice and what corrective action will be taken; *N/A*
- What measures will be put into place or what systemic changes you will make to ensure that the deficient practice does not recur; and,
- How the corrective action(s) will be monitored to ensure the deficient practice will not recur; i.e., what quality assurance program will be put into place.

*monitored by ~~James E. Jones~~ ~~at~~ ~~perimeter~~
CHC*

during Qtr maintenance



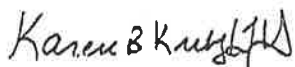
FAXED
9/5/14
12:02pm

Mr. Steven G. Flatt
September 4, 2014
Page 2

Please remember the administrator's signature and date signed must be on the appropriate line at the bottom of form CMS 2567 Statement of Deficiencies/Plan of Correction. Please be advised that under the disclosure of survey information provisions, the Statement of Deficiencies will be available to the public.

Should you have any questions or if there is any way this office may be of assistance, please do not hesitate to call.

Sincerely,

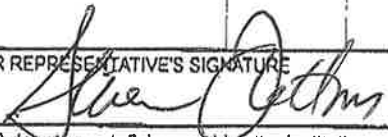


Karen B. Kirby, R.N.
Regional Administrator
East TN Health Care Facilities

KBK:cvb

Enclosure

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICESPRINTED: 08/27/2014
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 44C0001108	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 08/20/2014
NAME OF PROVIDER OR SUPPLIER PERIMETER SURGERY CENTER			STREET ADDRESS, CITY, STATE, ZIP CODE 1059 NEAL STREET, SUITE B COOKEVILLE, TN 38501		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)		(X5) COMPLETION DATE
Q 000	INITIAL COMMENTS During a Certification Survey completed on August 20, 2014, no deficiencies were cited under 42 CFR Part 416 Requirements for Ambulatory Surgical Centers.	Q 000			
LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE			TITLE		(X6) DATE
			Administrator		9/5/14

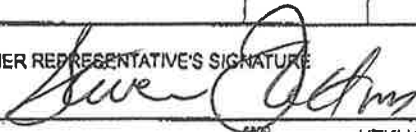
Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNP535115	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____ B. WING: _____	(X3) DATE SURVEY COMPLETED 08/20/2014	
NAME OF PROVIDER OR SUPPLIER PERIMETER SURGERY CENTER		STREET ADDRESS, CITY, STATE, ZIP CODE 1059 NEAL STREET, SUITE B COOKEVILLE, TN 38501		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
A 001	1200-8-10 Initial During a State Licensure Survey, completed on August 20, 2014, no deficiencies were cited under 1200-8-10, Standards for Ambulatory Surgical Treatment Centers.	A 001		

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE



TITLE

ADMINISTRATOR

(X6) DATE

9/5/14

STATE FORM

6800

HTKU11

If continuation sheet 1 of 1

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICESPRINTED: 08/21/2014
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 44C0001108	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN BUILDING B. WING _____		(X3) DATE SURVEY COMPLETED 08/21/2014
NAME OF PROVIDER OR SUPPLIER PERIMETER SURGERY CENTER			STREET ADDRESS, CITY, STATE, ZIP CODE 1059 NEAL STREET, SUITE B COOKEVILLE, TN 38501		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
K 147	<p>416.44(b)(1) LIFE SAFETY CODE STANDARD</p> <p>Electrical wiring and equipment are in accordance with NFPA 70, National Electrical Code 9.1.2, 20.5.1</p> <p>This STANDARD is not met as evidenced by: Based on observations, it was determined the facility failed to maintain the electrical system.</p> <p>The findings included:</p> <p>On 8/21/14 at 10:20 A.M. observation within the attic area revealed the low voltage wiring on the Heating and Cooling unit were all entangled including some loose end connections without wire nuts.</p> <p>This finding was acknowledged by the Manager during the exit interview on 8/21/14.</p>	K 147	<p>9/5/14 Cookeville Heating & Cooling Installed wire nuts on all wires, rebundled and secured to unit. Will be monitored during preventative maintenance services.</p>		

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

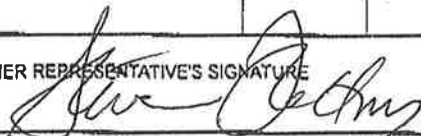
PRINTED: 08/21/2014
FORM APPROVED

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNP535115	(X2) MULTIPLE CONSTRUCTION A. BUILDING: 01 - MAIN BUILDING B. WING _____		(X3) DATE SURVEY COMPLETED 08/21/2014
NAME OF PROVIDER OR SUPPLIER PERIMETER SURGERY CENTER		STREET ADDRESS, CITY, STATE, ZIP CODE 1059 NEAL STREET, SUITE B COOKEVILLE, TN 38501			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)		(X5) COMPLETE DATE
A 002	1200-8-10 No Deficiencies Based on observations, testing, and records review it was determined the facility had no Life Safety deficiencies.	A 002			

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE



TITLE

ADMINISTRATOR

(X6) DATE

9/5/14

STATE FORM

6800

HTKU21

If continuation sheet 1 of 1

AUG 25 2014

Proof of Publication

Miscellaneous Information

- 1. TennCare Enrollment**
- 2. Support Letters**

TennCare Enrollment Report for March 2017

MCO	REGION	Total
AMERIGROUP COMMUNITY CARE		427,346
BLUECARE	East Tennessee	208,460
BLUECARE	Middle Tennessee	169,276
BLUECARE	West Tennessee	149,649
UnitedHealthcare Community Plan	East Tennessee	158,133
UnitedHealthcare Community Plan	Middle Tennessee	168,375
UnitedHealthcare Community Plan	West Tennessee	132,449
TENNCARE SELECT HIGH	All	49,996
TENNCARE SELECT LOW	All	16,072
PACE		277
Awaiting MCO assignment		44
Grand Total		1,480,077

COUNTY	Female					Male					Grand Total
	0 - 18	19 - 20	21 - 64	65 - >	Total	0 - 18	19 - 20	21 - 64	65 - >	Total	
ANDERSON	4,058	331	4,349	630	9,368	4,349	273	2,142	274	7,038	16,406
BEDFORD	3,745	265	3,117	248	7,375	3,884	209	1,261	116	5,470	12,845
BENTON	993	76	1,157	145	2,371	1,025	72	574	78	1,749	4,120
BLEDSE	745	63	818	130	1,756	866	68	455	58	1,447	3,203
BLOUNT	5,918	503	6,052	694	13,157	6,046	393	2,733	321	9,493	22,650
BRADLEY	5,882	480	5,969	676	12,967	6,178	355	2,597	304	9,434	22,421
CAMPBELL	2,883	217	3,693	667	7,460	3,064	214	2,051	368	5,697	13,157
CANNON	767	65	835	130	1,797	791	59	393	52	1,295	3,092
CARROLL	1,783	192	2,198	298	4,471	1,979	155	1,111	125	3,370	7,841
CARTER	3,121	223	3,556	689	7,569	3,282	206	1,863	284	5,635	13,224
CHEATHAM	1,966	160	1,979	169	4,274	2,082	171	870	92	3,215	7,489
CHESTER	1,014	94	1,051	145	2,304	1,041	64	425	73	1,603	3,907
CLAIBORNE	2,040	207	2,490	536	5,273	2,135	173	1,514	265	4,087	9,360
CLAY	491	27	537	120	1,175	539	41	334	57	971	2,146
COCKE	2,685	243	3,174	457	6,559	2,846	224	1,708	244	5,022	11,581
COFFEY	9,631	269	3,678	427	8,005	3,729	209	1,634	173	5,745	13,750
CROCKETT	1,040	73	969	195	2,277	1,014	68	449	79	1,610	3,887
CUMBERLAND	3,230	246	3,842	507	7,825	3,427	203	1,608	238	5,476	12,801
DAVIDSON	41,833	2,660	35,703	3,383	83,579	42,853	2,324	15,011	1,676	62,064	145,643
DECATUR	655	54	784	190	1,683	751	40	413	59	1,263	2,946
DEKALB	1,279	107	1,334	195	2,915	1,432	87	723	115	2,357	5,272
DICKSON	2,861	213	3,001	305	6,390	3,094	198	1,271	135	4,598	11,088
DYER	2,668	227	3,013	423	6,331	2,828	169	1,263	152	4,412	10,743
FAYETTE	1,782	159	1,850	280	4,071	1,918	127	748	153	2,945	7,017
FENTRESS	1,330	117	1,540	358	3,345	1,440	101	1,008	203	2,752	6,097
FRANKLIN	1,944	187	2,142	262	4,535	2,128	145	1,031	114	3,418	7,953
GIBSON	3,302	259	3,544	569	7,674	3,457	232	1,603	258	5,550	13,224
GILES	1,673	145	1,743	250	3,811	1,661	125	788	131	2,705	6,516
GRAINGER	1,452	122	1,546	301	3,421	1,502	108	912	158	2,680	6,101
GREENE	3,647	302	4,314	711	8,974	3,877	288	2,122	380	6,667	16,641
GRUNDY	1,009	111	1,259	212	2,591	1,133	92	717	115	2,057	4,648

COUNTY	Female				Male				Grand Total
	0 - 18	19 - 20	21 - 64	65 - >	0 - 18	19 - 20	21 - 64	65 - >	
HAMBLIN	4,646	331	3,892	541	4,784	266	1,623	232	16,505
HAMILTON	17,869	1,301	18,024	2,405	18,722	1,128	7,400	1,102	67,951
HANCOCK	508	48	627	156	539	39	347	69	2,334
HARDEMAN	1,742	161	2,000	326	1,756	128	935	160	7,208
HARDIN	1,651	149	2,019	381	1,769	131	987	197	7,304
HAWKINS	3,312	279	3,760	590	3,429	248	1,964	288	13,870
HAYWOOD	1,384	112	1,650	248	1,494	120	567	98	5,673
HENDERSON	1,769	153	2,007	268	2,092	154	1,036	103	8,000
HENRY	1,988	135	2,188	304	2,092	154	1,036	103	8,000
HICKMAN	1,512	127	1,673	183	1,679	135	847	103	6,259
HOUSTON	448	42	541	115	491	15	258	67	1,977
HUMPHREYS	1,099	90	1,231	143	1,172	70	579	66	4,450
JACKSON	637	50	771	130	719	54	429	88	2,878
JEFFERSON	3,205	285	3,229	507	3,399	240	1,654	198	12,717
JOHNSON	1,014	88	1,138	247	1,058	82	723	139	4,489
KNOX	20,267	1,501	21,173	2,542	21,249	1,304	9,478	1,198	78,712
LAKE	474	38	623	159	550	44	289	81	2,288
LAUDERDALE	1,992	187	2,214	291	2,089	162	946	122	8,003
LAWRENCE	2,705	205	2,891	400	2,889	178	1,422	147	10,837
LEWIS	752	62	764	127	764	55	391	52	2,967
LINCOLN	1,997	175	1,976	259	2,095	137	902	105	7,846
LOUDON	2,535	192	2,361	276	2,663	144	1,123	122	8,916
MACON	1,852	124	1,718	225	1,919	135	853	107	6,923
MADISON	6,558	479	6,842	833	6,558	408	2,582	379	24,739
MARION	1,784	143	2,019	235	1,778	149	895	123	7,126
MARSHALL	1,848	139	1,793	173	1,932	94	751	70	6,800
MAURY	5,011	380	4,935	497	5,375	304	1,966	196	18,664
MCMINN	3,163	244	3,371	480	3,402	206	1,503	226	12,695
MCNARY	1,694	166	2,051	338	1,854	136	1,125	178	7,544
MEigs	818	77	874	76	831	74	438	44	3,232
MONROE	2,839	247	3,060	476	3,064	179	1,593	252	11,730
MONTGOMERY	9,898	689	9,840	725	10,273	488	3,471	274	35,658
MOORE	214	14	179	50	239	21	97	14	828
MORGAN	1,181	127	1,198	196	1,211	102	627	92	4,734
OBION	2,008	171	2,277	298	2,093	134	960	123	8,084
OVERTON	1,164	125	1,324	287	1,287	104	766	138	5,185
PERRY	533	44	531	95	540	48	289	34	2,114
PICKETT	249	23	295	68	279	16	157	46	1,133
POLK	1,015	92	1,136	161	1,014	84	592	83	4,177
PUTNAM	4,355	353	4,548	720	4,600	255	2,403	312	17,546
RHEA	2,371	176	2,378	385	2,421	159	1,143	136	9,738
ROANE	2,697	219	3,238	488	2,999	221	1,724	245	11,631
ROBERTSON	3,891	288	3,511	399	3,992	246	1,363	161	13,611
RUTHERFORD	14,605	1,014	12,819	991	15,389	785	4,761	469	50,833
SCOTT	1,872	158	2,100	375	1,960	162	1,148	182	7,857
SEQUATCHIE	957	84	1,058	141	983	91	544	60	3,918
SEVIER	5,738	413	5,263	483	6,070	355	2,339	180	20,841
				11,897					8,944

COUNTY	Female					Male					Grand Total
	0 - 18	19 - 20	21 - 64	65 ->	Total	0 - 18	19 - 20	21 - 64	65 ->	Total	
SHELBY	75,118	5,708	69,947	6,786	157,559	76,990	5,139	23,441	3,106	108,676	266,235
SMITH	1,107	105	1,172	170	2,554	1,182	74	521	68	1,845	4,399
STEWART	781	67	837	115	1,800	787	47	415	56	1,305	3,105
SULLIVAN	8,265	638	9,490	1,293	19,686	8,689	567	4,774	579	14,609	34,295
SUMNER	8,046	662	7,650	793	17,151	8,492	537	2,997	298	12,324	29,475
TIPTON	3,674	281	3,573	389	7,917	3,814	266	1,448	142	5,670	13,587
TROUSDALE	533	47	554	70	1,204	541	30	254	38	863	2,067
UNICOI	931	80	1,101	239	2,351	1,027	98	540	121	1,786	4,137
UNION	1,386	107	1,355	155	3,004	1,346	95	732	89	2,262	5,266
VAN BUREN	317	20	340	59	736	355	18	185	45	604	1,340
WARREN	2,967	236	2,942	445	6,590	3,089	180	1,462	196	4,927	11,517
WASHINGTON	6,792	442	6,812	956	14,902	6,347	390	3,324	427	10,488	24,790
WAYNE	800	62	880	153	1,895	839	56	458	72	1,425	3,320
WEAKLEY	1,834	159	2,025	274	4,292	1,898	146	953	120	3,117	7,409
WHITE	1,754	137	1,913	282	4,086	1,919	116	1,025	118	3,178	7,264
WILLIAMSON	3,565	270	2,911	385	7,111	3,706	257	1,289	142	5,394	12,505
WILSON	5,365	390	5,014	480	11,249	5,555	332	1,972	190	8,049	19,298
Other	4,388	358	4,818	709	10,273	2,737	202	1,411	197	4,547	14,815
Grand Total	390,523	29,921	389,523	47,151	857,118	407,182	25,795	168,136	21,874	622,959	1,480,077

Reports include some membership additions that are the result of retroactivity; however, additional retroactivity may still occur. The "Other" county category reflects recipients who are Tennessee residents for which their domicile is temporarily located outside of the state.

Emergency Preparedness

Purpose: To continue providing quality care to patients of Perimeter Surgery Center during times of major emergencies and/or disasters by maintaining close coordination and planning with local emergency response organizations.

Mass Disaster--- In the event of a mass disaster in Putnam County or surrounding area, Perimeter Surgery Center will establish and operate as an assisted first aid center. The purpose of this first aid center is to assist the treatment of minimally injured victims to ease the burden on Cookeville Regional Medical Center's emergency room.

Upon notification from emergency services that a mass disaster has occurred and a first aid center is needed, the center will finish the current case. No new cases will be started. If the disaster occurs after hours, personnel that will not be reporting to CRMC will be contacted to report to the surgery center. Basic patient registration will be obtained upon arrival. Patients will be assessed by the nurse/physician available and treated to the ability of the center, and transported for further care as available.

Fire—Remember RACE , Rescue anyone in harms way-alert 911-confine the fire if able, close doors, etc.-evacuate. Perform a head count once at the designated area.

Tornado warning—Move all patients away from windows into an interior hallway. Bring battery powered radio to monitor weather. Surgery will be postponed until threat passes.

Bomb Threat—Stay calm, write down as much information as possible. Alert co-worker to notify 911. Evacuate the facility.

Floods—In the event of a flood, be prepared to move to higher ground. The receptionist will monitor weather alerts. Perimeter Surgery Center is not located in a flood plain.

Earthquakes—Since there is no warning for an earthquake, it is recommended to take cover under the nearest piece of heavy furniture and hold on. Do not go outside until the shaking has stopped. Perimeter Surgery Center is not located near a fault line.

Fire Safety

POLICY: All fire alarms/extinguishers will be maintained in proper working order to ensure Fire Safety.

PROCEDURE:

Fire alarms, detections systems will be tested quarterly for competency and receive preventative maintenance annually and PRN by the service company. Extinguishers will be checked monthly to ensure full and accessible.

Floor plans highlighting location of exits and fire extinguishers are posted throughout the facility.

All employees will undergo annual fire safety inservice and observe the following General Fire Safety Hazards:

- a. No smoking in or around this facility.
- b. No extension cords or adapters will be used in this center.
- c. No flammable anesthetics will be used in this center.
- d. Highly flammable substances (oil, grease, cleaning fluids) are not to be stored in this facility.

*The 3 classes of fire most common in healthcare involve ORDINARY COMBUSTIBLES, GASES AND LIQUIDS, and ELECTRICAL EQUIPMENT.

*Electrical fires are the most common fires in healthcare facilities.

*In case of fire, sound the alarm, remove patients from danger, confine the fire if possible

*An unusual odor is the first warning of fire in electrical equipment

*Most fire deaths are NOT related to flames & heat.

*Its very important to stay close to the floor during a rescue attempt in order to avoid the most intense heat & smoke.

*Closing doors & windows helps to prevent the spread of fire.

*If a piece of equipment catches fire, pull the plug if possible.

*If a patient's clothes are on fire, wrap the patient tightly in a blanket to smother the flames.

*Remember PASS—Pull the pin on the fire extinguisher, Aim at the base of the fire, Squeeze the trigger, Sweep from side to side

*Remember to move medical records during an evacuation if possible. Always take a schedule to account for patients once they are in the designated location.

*Fire is fast, so the first 3 minutes are critical for the protection of lives and property.

Perimeter Surgery Center Code Members & Roles for PRE/POST OP:

<u>Role in Code</u>	<u>Person Performing</u>	<u>Responsibilities</u>
Physician	Physician	Attempt to determine Etiology of code.
Team Leader	CRNA	-Airway -Direct code -Assess effectiveness of CPR
Primary Nurse	Closest nurse (pre or post)	-Administer meds -Mix & hang IV fluids -Defibrillate
Compressions	2 nd nurse in attendance	-Compressions, assist primary nurse
Recorder	Circulator	-Document times, meds
Runner	Front office staff	-Get any equip needed that is not already in room -Make phone calls -Move patient's family/transporter to private area for consultation after code

Perimeter Surgery Center Code Members & Roles for OR:

<u>Role in Code</u>	<u>Person Performing</u>	<u>Responsibilities</u>
Physician	Physician	Attempt to determine Etiology of code.
Team Leader	CRNA	-Airway -Direct code -Assess effectiveness of CPR
Primary Nurse	Circulator	-Administer meds -Mix & hang IV fluids -Defibrillate
Compressions	2 nd nurse in attendance	-Compressions, assist primary nurse
Recorder	Scrub	-Document times, meds
Runner	Front office staff	-Get any equip needed that is not already in room -Make phone calls -Move patient's family/transporter to private area for consultation after code

CODE PROCEDURE:

- Perimeter Surgery Center will follow the American Heart Association's BLS, ACLS procedures during a code. (See attached algorithms)

❖ CPR-CARDIOPULMONARY RESUSCITATION

- All clinical personnel of Perimeter Surgery Center will maintain at least BLS certification.
- Notify 911.
- The most current standards of CPR will be followed according to the American Heart Association (See attached). This procedure should be followed until emergency personnel arrives.

❖ ACLS

- All RNs and CRNAs will maintain ACLS certification.
- Notify 911.
- The most current protocol for ACLS will be followed according to the American Heart Association (See attached). This will be followed until emergency personnel arrive.

❖ DEFIBRILLATION

- To deliver an electric current through the chest to the heart in order to depolarize the heart, and restore a viable heart rhythm.
- Perimeter Surgery Center will follow American Heart Association guidelines for defibrillation until Emergency Personnel arrive. (See attached ACLS algorithms)

❖ DEFIBRILLATOR MAINTENANCE

- The defibrillator will be kept atop the crash cart and will be checked weekly to ensure proper charging capability, and that all supplies are available, such as O₂, suction, etc. It will remain plugged in, when not in use, to ensure the battery pack is charged. Attached is a copy of the weekly checklist performed. (See weekly checklist section in Quality Improvement Manual for maintenance logs)

❖ MANUAL RESUSCITATION BAG (AMBU)

- To assist & restore ventilation quickly & effectively
- Airway must be established
- Ambu bag is kept on the crash cart
- This is incorporated with BLS/ACLS procedures:
 - Open airway with head-tilt, chin lift
 - Place mask in position on face with the narrow part over the bridge of the nose, securely sealing mask to patient's face.
 - Grasp bag with widely spread fingers.
 - Squeeze bag delivering full breath. Chest should rise as when doing mouth to mouth. (Incorporate breaths with CPR/ACLS procedures)
 - Resuscitation efforts should continue until EMS arrives.

❖ EMERGENCY TRACHEOTOMY (CRICOTHYROTOMY)

- Emergency tracheotomy will be performed by trained anesthesia staff, whose role in a code is to maintain airway. This procedure is for those persons with acute respiratory obstruction that is life threatening and endotracheal intubation is not successful or effective.
 - Call 911, have O2 with adapter ready
 - Immobilize thyroid cartilage
 - Push bayonet point into the cricothyroid notch until tile marking the distal end of the cannula meets skin
 - Remove trocar
 - Ease cannula into trachea with notch on disc facing chin
 - Affix disc to neck with adhesive tape
 - Attach oxygen tube to cannula
 - Observe until EMS arrives

❖ OXYGEN THERAPY

- To alleviate hypoxemia
 - Assessment for clinical indications of respiratory distress include:
 - $\text{SaO}_2 \leq 89\%$
 - Dyspnea
 - Pallor and/or cyanosis
 - Use of accessory muscles for respirations
 - Increasing pulse rate
 - Apprehension
 - Restlessness

- Obstructed airway
- o The nurse may initiate O2 without a physician's order, via nasal cannula or mask, at a rate of 2 liters/min, or as prescribed by patient's home oxygen prescriber.
 - Assess indications of distress
 - Choose appropriate oxygen delivery
 - Set flow rate at 2 Liters or prescribed rate
 - Position patient in semi- or high-Fowler's position to ensure adequate lung expansion.
 - Monitor patient
 - Notify MD and/or Anesthesia
 - Assess progress by vital signs, color, LOC
 - Document in chart

❖ Portable Ventilator Policy & Procedure

- To assist and restore ventilation quickly and effectively in the event that the patient is unable to voluntarily maintain their own airway and it becomes necessary to transport the patient to the hospital.
- See Attached Directions for use.

➤ CRASH CART CONTENTS

- Adrenalin (epinephrine) 1:10,000; 10 ml
- Adrenalin (epinephrine) 1:1000; 1 ml
- Atropine 0.1mg/ml
- Benadryl (diphenhydramine)
- Calcium chloride 10%; 10ml amp
- Dextrose 50%
- Dilantin (phenytoin)
- Dopamine
- Ephedrine
- Esmolol
- Flumazenil
- Heparin
- Inderal (propranolol)
- Isuprel
- Labetalol
- Lanoxin (digoxin)
- Lasix (furosemide)
- Lidocaine 1%
- Magnesium sulfate 50%
- Narcan (naloxone)
- Nitro-Bid
- Nitro-Stat
- Pronestyl (procainamide)
- Sodium bicarbonate 50meq/50ml
- Solu-medrol (methylprednisolone)
- Vasopressin
- Verapamil hydrochloride
- Suction devices, endotracheal tubes, laryngoscopes, etc.
- Positive pressure ventilation devices (Ambu) plus oxygen supply
- Emergency intubation equipment
- IV solution and IV equipment

➤ CODE EQUIPMENT AVAILABLE

- Cardiac monitor
- Pulse Oximeter
- Resuscitator
- Defibrillator
- Aspirator
- Tracheostomy set

➤ SHOCK

- ❖ Shock may be described as a state of collapse resulting from acute peripheral circulatory failure. The three main causes of shock during procedures and in the recovery room are hemorrhage, neurogenic disturbances (patient's reaction to stress), and tissue trauma. The signs and symptoms of shock include cold, clammy skin, increased pulse rate & diaphoresis (profuse sweating).

1. Place the patient in Trendelenburg position
2. Start oxygen at 4-6 liters per min via nasal cannula
3. Hang normal saline IV
4. Notify the physician
5. Place the patient on the cardiac monitor
6. Start a second IV line and document the following, LOC, vital signs and symptoms, condition of abdomen, and/or bleeding if noted.

➤ HEALTH PROFESSIONAL INCAPACITATION DURING PROCEDURE

- ❖ If, for any reason, a physician becomes incapacitated during a procedure, the anesthesia provider will stabilize the patient. The circulator will attend to the incapacitated physician, calling 911 if needed. The fellow surgeon/owner will be contacted to complete the case. No further cases will be performed. In the event an anesthesia provider becomes incapacitated during a procedure, the physician will stabilize the patient. The circulator will attend to the incapacitated anesthesia provider, calling 911 if needed. In the event an RN or CST becomes incapacitated the anesthesia provider will attend to the RN or CST, further help will be called if needed.

➤ MALIGNANT HYPERTHERMIA

No triggering anesthetics are used in this facility. No general anesthesia is administered, therefore, no dantrolene is stocked in this center.

❖ Triggering anesthetics:

- Succinylcholine
- Halothane
- Enflurane
- Isoflurane
- Desflurane
- Sevoflurane
- Ether
- Cyclopropane
- Methoxyflurane

➤ Emergency

- As result of a procedure performed at the center
- As result of cardiac arrest, respiratory distress, shock.
- Documentation in transfer notes should include:
 - Name & phone number of hospital transported to
 - Date, time of call
 - Mode of transportation and responsible party
 - Any treatment given
 - Condition of patient upon discharge
 - Copies of nurses note, Living Will/POA, patient insurance & demographic information to be sent with patient
 - Transfer signed by physician
 - All transfers shall be reviewed by the Quality Improvement Committee.

PERIMETER SURGERY CENTER

PATIENT TRANSFER

Patient Name/DOB: _____ Date/Time: _____

Transferring Physician: _____

Receiving Hospital/physician-phone: _____

Reason for transfer: _____

Mode of transport: _____

Responsible party: _____

Transferring Nurse

Anesthesia Provider

Physician



MAY 15 '17 AM 11:11

3/7/2017

Re: CON for new surgery center in Cookeville

Dear Mr. Wellborn,

I am writing in support of a new two-room ambulatory surgery center in Cookeville. I have had the pleasure of working at the Perimeter Surgery Center for the past year. My experience at the Center has been extraordinarily positive. However, my participation has been limited due to the lack of OR space. At present, I am able to operate only two days out of the month due to the busy schedule at the Center. On those two days, I am at full capacity.

I would like to express my full support of a new CON for the planned surgery center, as I feel that the additional OR would make it possible for all of the surgeons working at the present Center to serve a larger number of residents of Cookeville and the surrounding areas.

Please contact me if you have any questions.

Faramarz (Fred) Hidaji, M.D.

FARAMARZ HIDAJI, M.D.

COSMETIC EYELID SURGERY : PEDIATRIC EYE PROCEDURES

6252 POPLAR AVENUE : MEMPHIS, TN : 38119

PHONE: 901.754.EYES (3937) FAX: 901.680.7771

Herald-Citizen

PO Box 2729
Cookeville, TN 38502-2729

MAY 15 '17 AM 11:11

Premier Surgery Center / Megan Hastings

1059 Neal Street, Suite B

Cookeville, TN 38501

Acct# 102562


State of Tennessee

County of Putnam ss

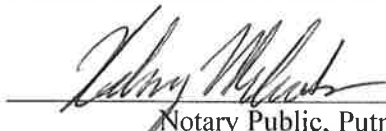
Jack McNeely, of the city of Cookeville, in said county and state, being duly sworn, on his oath says that he is the Editor & Publisher of the Herald-Citizen, a daily newspaper of general circulation published in said city, and that the notice, a printed copy of which is hereto annexed, was published in said newspaper for ONE (1) day which publication was made on

May 10, 2017

This legal notice was published online at www.herald-citizen.com and www.publicnoticeads.com during the duration of the run dates listed. This publication fully complies with Tennessee Code Annotated 1-3-120.


Editor and Publisher

Subscribed and sworn to before me this 10th day of May 2017.


Notary Public, Putnam County
State of Tennessee

My commission expires 07/23/18

AMOUNT DUE \$131.52



NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Perimeter Surgery Center (an existing ophthalmic ambulatory surgical treatment center), and managed by Clearer Vision, LLC (a limited liability corporation) intends to file an application for a Certificate of Need to relocate 1059 Neal Street, Suite B, Cookeville, TN 38501 to a new office building under construction at 1125 Perimeter Parkway, Cookeville, TN 38501. This new location is just across Perimeter Drive from the current location. The project cost is estimated at \$2,686,591 - of which \$860,149 is the actual capital cost. The project will expand the facility's surgical room complement from one operating room and a laser procedure room, to two operating rooms and a laser procedure room.

The facility will seek to continue its present licensure by the Board of Licensing Health Care Facilities as an Ambulatory Surgical Treatment Center limited to Ophthalmology. The project does not contain any new medical equipment or initiate or discontinue any health services. It will not affect any facility's licensed bed complements.

The anticipated date of filing the application is on or before May 15, 2017. The contact person for the project is John Wellborn, who can be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.

Upon written request by interested parties, a local Fact-Finding and public hearing shall be conducted. Written requests for a hearing should be sent to:

Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Pursuant to TCA Sec. 68-11-1607(c)(1):(A) any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled meeting at which the application is originally scheduled, and (B) any other person wishing to file an objection to the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.



State of Tennessee
Health Services and Development Agency


Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

June 1, 2017

John Wellborn
Development Support Group
4219 Hillsboro Road, Suite 210
Nashville, TN 37215

RE: Certificate of Need Application -- Perimeter Surgery Center - CN1705-017
The relocation of a single-specialty ophthalmic ambulatory surgical treatment center (ASTC) from 1059 Neal Street, Suite B, Cookeville (Putnam County) to a new office building under construction at 1125 Perimeter Drive, Cookeville, TN 38501. The project will expand the facility's surgical room complement from one operating room and a laser room to two operating rooms and a laser procedure room. The estimated project cost is \$1,739,376.

Dear Mr. Wellborn:


This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need. Please be advised that your application is now considered to be complete by this office.

Your application is being forwarded to Trent Sansing at the Tennessee Department of Health for Certificate of Need review by the Division of Policy, Planning and Assessment. You may be contacted by Mr. Sansing or someone from his office for additional clarification while the application is under review by the Department. Mr. Sansing's contact information is Trent.Sansing@tn.gov or 615-253-4702.

In accordance with Tennessee Code Annotated, §68-11-1607, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project will begin on June 1, 2017. The first 60 days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the 60-day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review. You will receive a copy of their findings. The Health Services and Development Agency will review your application on August 23, 2017.

Mr. Wellborn
June 1, 2017
Page 2

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (5) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (6) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie M. Hill", written in a cursive style.

Melanie M. Hill
Executive Director

cc: Trent Sansing, TDH/Health Statistics, PPA



State of Tennessee

Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

MEMORANDUM

TO: Trent Sansing, CON Director
Office of Policy, Planning and Assessment
Division of Health Statistics
Andrew Johnson Tower, 2nd Floor
710 James Robertson Parkway
Nashville, Tennessee 37243

FROM: Melanie M. Hill
Executive Director

DATE: June 1, 2017

RE: Certificate of Need Application
Perimeter Surgery Center - CN1705-017

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on June 1, 2017 and end on August 1, 2017.

Should there be any questions regarding this application or the review cycle, please contact this office.

Enclosure

cc: John Wellborn

1490

LETTER OF INTENT -- HEALTH SERVICES & DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Cookeville Herald Citizen, which is a newspaper of general circulation in Putnam County, Tennessee, on or before May 10, 2017, for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Perimeter Surgery Center (an existing ophthalmic ambulatory surgical treatment center), owned and managed by Clearer Vision, LLC (a limited liability company), intends to file an application for a Certificate of Need to relocate from 1059 Neal Street, Suite B, Cookeville, TN 38501 to a new medical office building under construction at 1125 Perimeter Park Drive, Cookeville, TN 38501. This new location is just across Perimeter Park Drive from the current location. The project cost is estimated at \$2,686,591--of which \$860,149 is the actual capital cost. The project will expand the facility's surgical room complement from one operating room and a laser procedure room, to two operating rooms and a laser procedure room.

The facility will seek to continue its present licensure by the Board for Licensing Health Care Facilities as an Ambulatory Surgical Treatment Center limited to Ophthalmology. The project does not contain major medical equipment or initiate or discontinue any health service; and it will not affect any facility's licensed bed complements.

The anticipated date of filing the application is on or before May 15, 2017. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.


(Signature)

5-5-17
(Date)

jwdsg@comcast.net
(E-mail Address)

Supplemental #1

Perimeter Surgery Center

CN1705-017

May 25, 2017

2:41 pm

May 24, 2017

Phillip M. Earhart, HSD Examiner
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: CON Application CN1705-017
Perimeter Surgery Center, LLC

Dear Mr. Earhart:

This letter responds to your recent request for additional information on this application. The items below are numbered to correspond to your questions. They are provided in triplicate, with affidavit.

1. Section A. Project Details, Item 6a.

The lease in Attachment Section A-(6a.) is noted. However, please provide a fully executed lease agreement or fully executed option to lease agreement. In addition, please provide the attachments labeled "to be provided".

Attached at the end of this letter is the fully executed lease agreement. The attachments labeled "to be provided" (A, B) are a full legal description and floor plan. The floor plan is provided in this new document. However, the legal description would have to be obtained from the building owner's attorneys and we request that you waive the need for it. One good reason is that such an attachment is not required from the building lessor when a lessee-applicant submits a lease option, so it is not clear why it would be required on a fully executed lease of the landlord's property.

2. Section A, Project Details, Item 6 B. (1) Plot Plan

The plot plan is noted. However, please provide a revised plot plan with darker street identification.

The modified plot plan is attached following this page.

COOKEVILLE, TENNESSEE

Stamps Design Group, Inc.
127 W. Broad Street
Suite B
Cookeville, TN 38501
Phone: 931-252-2400

May 25, 2017

10

www.chelmsford.com
020 4574 1001
020 4574 1001
020 4574 1001

NOTES:

1. ALL CANOPY TREES - 7 CLEAR TRUNKS, ESCAPE STRAIGHT CENTRAL LEADER, EVENLY BRANCHED, SYMMETRICAL CROWN
CANOPY BRANCHED, 4-10 FEET IN DIAMETER FOR MAJOR BRANCHES
1-2 FEET IN DIAMETER FOR MINOR BRANCHES

1. THE LOCATION OF THE PROJECT WITHIN THE COMMUNITY, THE COMMUNITY'S PERCEPTION OF THE PROJECT, AND THE COMMUNITY'S ATTITUDE TOWARD THE PROJECT.
2. LANDSCAPED AREAS AND/OR BUILDINGS AND THE LANDSCAPE BY OTHERS.
3. THE VISUAL IMPACT OF THE PROJECT, INCLUDING THE PROJECT'S VISUAL QUALITY, VISUAL INTEGRATION WITH THE SURROUNDING ENVIRONMENT, AND VISUAL QUALITY OF THE PROJECT'S INTERIOR AND EXTERIOR.
4. ALL DIMENSIONS AND TO SCALE OF CURB, BUILDING, ETC.
5. THE PROJECT'S LOCATION WITHIN THE COMMUNITY, THE COMMUNITY'S PERCEPTION OF THE PROJECT, AND THE COMMUNITY'S ATTITUDE TOWARD THE PROJECT.
6. THE PROJECT'S LOCATION WITHIN THE COMMUNITY, THE COMMUNITY'S PERCEPTION OF THE PROJECT, AND THE COMMUNITY'S ATTITUDE TOWARD THE PROJECT.
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8. THE PROJECT'S LOCATION WITHIN THE COMMUNITY, THE COMMUNITY'S PERCEPTION OF THE PROJECT, AND THE COMMUNITY'S ATTITUDE TOWARD THE PROJECT.
9. THE PROJECT'S LOCATION WITHIN THE COMMUNITY, THE COMMUNITY'S PERCEPTION OF THE PROJECT, AND THE COMMUNITY'S ATTITUDE TOWARD THE PROJECT.
10. THE PROJECT'S LOCATION WITHIN THE COMMUNITY, THE COMMUNITY'S PERCEPTION OF THE PROJECT, AND THE COMMUNITY'S ATTITUDE TOWARD THE PROJECT.

[illegible]

PLANT SCHEDULE

1. ALL CANOPY TREES - 7 CLEAR TRUNK, SINGLE STRAIGHT CENTRAL LEADER, EVENLY BRANCHED, SYMMETRICAL CROWN

ZONING

PARKING
85 TYPICAL PARKING SPACES
3 HANDICAP PARKING SPACES
60 TOTAL SPACES

PARKING FOR 15,850 SF OF
NET OFFICE SPACE
62 SPACES REQUIRED

EXISTING HYDRANT
80 PSI STATIC
80 PSI RESIDUAL
1254 GPM
150 PLATE 4-15-10

13.5 ACRES

VICINITY MAP
NOT TO SCALE

W2AL 372237

[illegible]

HEAVY DUTY ASPHALT PAVING

LIGHT DUTY ASPHALT PAVING

LANDSCAPE AREA w/ GRAVEL

CONCRETE PAVING

ES

Page Two
May 24, 2017

3. Section A, Project Details, Item 12 Square Footage and Cost Per Square Footage Chart

a. The lease indicates there are 5,541 of useable square feet. However, the Square Footage and Cost Per Square Footage Chart reflect 4,960 SF of renovation. Please clarify.

There are 5,541 rentable, not usable, square feet stated on page 1 of the executed lease. Rentable square feet are always larger than usable (occupied) square feet. This upsizing ensures that the landlord is paid for the tenant's use of common spaces such as entrances, lobbies, parking, mechanical and electrical, etc. outside the actual occupied space. The architect's letter and Cost Per Square Footage Chart correctly reflect the 4,960 square feet of space to be built out for occupancy.

b. Please provide an overview of the building that will house the applicant's ASTC. Please include total square footage, number of floors, and possible other known healthcare tenants.

Floors: 3

Square Footage of Building: 18,500

Other Known Tenants: Tennessee Retina; Cookeville Eye Specialists (practice offices of physicians already associated with Perimeter Surgery Center).

c. What is the square footage of the existing OR and PR (laser)?

The existing O.R. measures 344 SF. The laser procedure room measures 73 SF.

d. What is the square footage of proposed 2 ORs and PR (laser)?

The proposed O.R.'s measure 411 SF each. The proposed laser procedure room measures 125 SF. These are approximations based on preliminary drawings and a preliminary space program.

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4. Section B, Need Item 1(Specific Criteria –ASTC) (1) (a) Operating Rooms

When does the applicant expect to operate at a level as to have an operating room available 250 days per year, 8 hours per day?

Ophthalmologists provide clinic consults on diseases and injuries of the eye, and see potential and past surgical patients, in their practice offices. This requires significant time in the office every workweek. Because of this, their O.R.'s are not staffed and scheduled 8 hours every weekday--only when they are performing surgery.

In a very large eye surgery center with many ophthalmologists on staff, O.R. resources can be used 5 days per week. But this is not the case with small facilities with limited medical staffs, in rural areas. At Perimeter Surgery Center, there are only three ophthalmologists now doing cases in Cookeville--and two of them also perform surgeries in other communities as well. And all three see clinic patients. Because of this, there is no expectation that the current medical staff's combined caseloads could staff and utilize these O.R.'s 5 days per week.

This is a good example of why the State Health Plan's standards are guidelines only.

5. Section B, Need Item 1(Specific Criteria –ASTC) (1) (b) estimated average Time Per Case

Overall, what is the estimated average time per case in the proposed 2 ORs?

Case and minute data are from Table B-Need-State Health Plan 2E, on page 26 of the submitted application. The average minutes per case is a division. The average minutes per case will vary each year because the volumes of retinal, cataract, and blepharoplasties will increase at different rates and they have different case times.

Average Time Per Case in the O.R.'s		
	Year One	Year Two
Cases	2,937	3,093
Minutes	70,442	74,677
Average Minutes Per Case	23.98 minutes	24.14 minutes

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6. Section B, Need Item 1(Specific Criteria –ASTC) (1) (d) Optimum Utilization

It is noted the applicant currently operates one OR 3.5 days per week. However, please explain the reason the current ASTC could not increase OR time to 4 days (96,000 minutes per OR) or even 5 days per week (120,000 minute per OR). The applicant projects 74,677 surgical minutes in Year 2 (2020) which calculates to 77.7% utilization of OR available time using the applicant's current OR 4 days per week, and 62.2% using 5 days per week.

That calculation is accurate. However, the project cannot appropriately be evaluated based on its first two years of case volumes. No responsible eye surgery provider committing to a \$1.7 million expenditure over five years would do space planning for only a two-year horizon. At least five years would be a minimum prudent horizon, in a situation where caseloads are increasing as the service area population increases and ages.

The table on page 26 of the application shows that in Year Five, projected cases including retinal surgeries will require 87,595 minutes of O.R. time. If this project has only one large O.R. (large enough to accommodate retinal cases), that O.R. will accommodate 96,000 minutes of surgery if staffed four days per week, and 120,000 minutes if staffed five days per week. Its Year Five utilization on a five-day week would be 73%; its utilization on a four-day week would be 91.2%. Either scenario exceeds the 70% guideline of the State Health Plan, at which additional O.R. capacity is justified. It makes sense to build the second O.R. now, in one construction project, rather than disrupt the facility in Year Five to add a second O.R.

7. Section B, Need Item 1(Specific Criteria –ASTC) Item 1 (Operating Rooms) and Item 2 (Procedure Rooms)

On page 24, it appears the applicant applied the procedure room optimum standard of 1,867 cases per year rather than the 884 optimal standard for operating rooms. Please clarify.

Attached after this page is a revised page 24R, clarifying that the actual 2016 caseloads of 2,442 cases exceeded the 884-case standard for an operating room.

May 25, 2017**2:41 pm****Determination of Need**

1. Need. The minimum numbers of 884 Cases per Operating Room and 1867 Cases per Procedure Room are to be considered as baseline numbers for purposes of determining Need. An applicant should demonstrate the ability to perform a minimum of 884 Cases per Operating Room and/or 1867 Cases per Procedure Room per year, except that an applicant may provide information on its projected case types and its assumptions of estimated average time and clean up and preparation time per Case if this information differs significantly from the above-stated assumptions. It is recognized that an ASTC may provide a variety of services/Cases and that as a result the estimated average time and clean up and preparation time for such services/Cases may not meet the minimum numbers set forth herein. It is also recognized that an applicant applying for an ASTC Operating Room(s) may apply for a Procedure Room, although the anticipated utilization of that Procedure Room may not meet the base guidelines contained here. Specific reasoning and explanation for the inclusion in a CON application of such a Procedure Room must be provided. An applicant that desires to limit its Cases to a specific type or types should apply for a Specialty ASTC.

The applicant is proposing to relocate an existing surgical facility and to add one operating room at that time, for a total of two operating rooms and one procedure room.

The facility's single O.R. performed 2,442 cases in CY2016, exceeding the 884-case standard for adding O.R. capacity. It will continue to perform more than the standard. Please see the response to criterion #2 immediately below, for case projections and the need for more O.R. capacity based on case times.

2. Need and Economic Efficiencies. An applicant must estimate the projected surgical hours to be utilized per year for two years based on the types of surgeries to be performed, including the preparation time between surgeries. Detailed support for estimates must be provided.

The tables on the following pages show the facility's historic and projected O.R. cases, O.R. time requirements, and O.R. occupancy.

The proposed additional operating room in this project is justified based on the fact that the existing room will exceed 70% occupancy in CY2018, based on actual time requirements for eye surgery cases by type.

Please note that the State Plan review criteria do not require that the entire O.R. suite must reach 70% utilization in Year Two.

It would be inappropriate to plan an expensive healthcare facility with only as much capacity as would be 70% full within twenty-four months of completion. Acute care construction planning rarely, if ever, adopts such a short time horizon.

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8. Section B, Need, Item B, Item 3

a. How did the exclusion of adjoining Cumberland County with two ASTC's specializing in ophthalmic procedures play a part in carving out a service area for the proposed project?

It played no part at all. The historic utilization of Perimeter Surgery Center does not include sufficient referrals from Cumberland County for the latter to be included in Perimeter's primary service area. Last year, in 2016, there were only 11 referrals to Perimeter from Cumberland County, which was only 0.8% of Perimeter's referrals. The applicant has defined the Perimeter Surgery Center's primary service area in an appropriate way, i.e., as those counties which together contribute 85% of total referrals.

b. Do any of the service area hospitals perform outpatient ophthalmology procedures? If so, please discuss.

Area hospitals do not appear to perform non-emergency ophthalmic surgeries. The Joint Annual Reports indicate that Cookeville Regional Medical Center in Putnam County had 6 admissions (out of 14,782 admissions) for eye conditions in 2016. DeKalb Community Hospital in DeKalb County had only 1 such admission. The hospitals in White and Overton Counties had no such admissions. Jackson County does not have a hospital.

9. Section B, Need, Item B, Item 4.B

It is noted the applicant projects to provide charity care representing 0.5% of gross revenues in Year One. However, the 2013, 2014, and 2015 Joint Annual Reports and Historical Data Chart indicate Perimeter Surgery Center provided no charity care for those three reporting years. Please clarify.

Perimeter did not book charity care in those reporting years. The owners this year have elected to make a commitment to limited charity care going forward, which is why the application reflects that. It is understood that this is now a continuing commitment. Another factor here is that the great majority of eye surgery cases are either Medicare or TennCare. Perimeter Surgery Center assists uninsured patients in enrollment in TennCare.

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10. Section B, Economic Feasibility, Item B, 1 (B) Lease and Item 1 (C) Moveable Equipment

a. The CON filing fee of \$27,159 is noted. However, the correct filing fee is \$15,000. Please provide a new Project Cost Chart with a revised CON filing fee. HSDA will provide a refund check in the amount estimated at \$12,159 to the applicant, if there are no changes in the applicant's Project Cost Chart.

There was a typographical error in the Excel formula that resulted in a calculation of \$15.75 per thousand review fee, rather than \$5.75 per thousand. Attached after this page is the revised Project Cost Chart, page 46R, showing the corrected filing fee as \$15,000.

b. The applicant's Letter of Intent notes the proposed project's cost is \$2,686,591. However, the Project Cost Chart notes the project cost as \$1,751,535. Please Clarify.

Between the filing of the letter of intent and the filing of the application, the applicant completed the lease negotiation with the landlord, and reduced the first term of years from ten to five years, with multiple renewal options. This reduced the project cost from the published cost. This was discussed with HSDA management, who approved the filing at the lower amount because it was not a change in project scope, only a change in the lease negotiations.

11. Section B, Economic Feasibility, Item 6A.

Please provide copies of the balance sheet and income statement from the most recent reporting period of the applicant and the most recent audited financial statements with accompanying notes, if applicable.

These were provided in Attachment B-Economic Feasibility-6A in the submitted application. The applicant does not have audited financial statements.

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PROJECT COST CHART-- PERIMETER SURGERY CENTER CHANGE OF SITE

A. Construction and equipment acquired by purchase:

1. Architectural and Engineering Fees	\$	47,260
2. Legal, Administrative, Consultant Fees (Excl CON Filing Fee)		30,000
3. Acquisition of Site		0
4. Preparation of Site		0
5. Total Construction Cost		347,200
6. Contingency Fund 5%		62,000
7. Fixed Equipment (Not included in Construction Contract)		0
8. Moveable Equipment (List all equipment over \$50,000 as separate attachment)		285,525
9. Other (Specify) _____		
Section A costs= \$771,985		

B. Acquisition by gift, donation, or lease:

1. Facility (inclusive of building and land) lease outlay		893,486
2. Building only		
3. Land only		
4. Equipment (Specify) Value of transferred equipment		12,586
5. Other (Specify) _____		

C. Financing Costs and Fees:

1. Interim Financing		46,319
2. Underwriting Costs		
3. Reserve for One Year's Debt Service		
4. Other (Specify) _____		

D. Estimated Project Cost
(A+B+C)

1,724,376

E. CON Filing Fee

15,000

F. Total Estimated Project Cost (D+E)

TOTAL \$ 1,739,376

Actual Capital Cost	833,304
Section B FMV	906,072

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12. Section B, Economic Feasibility, Item 6C.

As with all applications, please provide the requested capitalization ratio.

From CY2016 Balance Sheet (in Attachments):

Long-term debt: \$0
Net assets: \$693,742
Calculations: $\text{Long-term debt} / (\text{Long-term debt} / \text{Net assets}) \times 100$
 $\$0 / (0 / \$693,742) \times 100 = 0$

13. Section B. Economic Feasibility Item 7 Applicant's Payer Mix

The table of the applicant's projected payer mix for Year One is noted. However, the figures in the table do not match the project's Projected Data Chart. Please revise the chart according to the project's Projected Data Chart and submit a replacement page 59 (R-59).

The revised payor mix table on page 59R, is attached following this page.

14. Section B. Economic Feasibility Item 9 Project Alternatives

The applicant notes Perimeter's OR is 113% utilized under the State Health Plan standard cases per room. Please clarify the standard the applicant is referencing.

Attached following this page is revised page 61R, indicating that in 2016 Perimeter's O.R. operated at 276% of the State Health Plan's 884-case standard for an operating room.

15. Section B. Orderly Development, Item 2 (b) Negative Effects

a. It is noted there will not be any negative impact on other surgical facilities in its service area. Please indicate the distance from the applicant's proposed location to Cataract and Laser Center, LLC and Plateau Surgery Center, LLC.

The project site is 41.8 miles from the Cataract and Laser Center, and 34.4 miles from Plateau Surgery Center.

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6.C. Capitalization Ratio (Long-term debt to capitalization) – Measures the proportion of debt financing in a business's permanent (Long-term) financing mix. This ratio best measures a business's true capital structure because it is not affected by short-term financing decisions. The formula for this ratio is: (Long-term debt/(Long-term debt + Total Equity (Net assets)) x 100).

For the entity (applicant and/or parent company) that is funding the proposed project please provide the capitalization ratio using the most recent year available from the funding entity's audited balance sheet, if applicable. The Capitalization Ratios are not expected from outside the company lenders that provide funding.

This is not applicable because 100% of the funding is projected to come from a commercial lender (First National Bank) that is not affiliated with the applicant.

7. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. Additionally, report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payer classification for the first year of the project by completing the table below.

Applicant's Projected Payer Mix, Year 1		
Payer Source	Projected Gross Operating Revenue	As a Percent of Total Revenue
Medicare/Medicare Managed Care	\$6,414,149	66.00%
TennCare/Medicaid	\$686,289	7.00%
Commercial/Other Managed Care	\$2,235,234	23.00%
Self-Pay	\$72,888	0.75%
Charity Care	\$48,592	0.50%
Other	\$261,256	2.75%
Total	\$9,718,408	100.00%

8. Provide the projected staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTE) positions for these positions. Additionally, please identify projected salary amounts by position classifications and compare the clinical staff salaries to prevailing wage patterns in the proposed service area as published by the Department of Labor & Workforce Development and/or other documented sources.

See Table B-Economic Feasibility-8, on the following page. The applicant cannot locate current prevailing wage patterns for the types of employees needed, on the referenced website or in other documented sources.

The facility currently provides anesthesia through a local CRNA group that does its own independent billing. Anesthesia expense and revenue are not included in the Projected Data Chart of staffing chart because they are not part of this facility's financial operation.

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9. Describe all alternatives to this project that were considered and discuss the advantages and disadvantages of each alternative, including but not limited to:

A. Discuss the availability of less costly, more effective and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, justify why not, including reasons as to why they were rejected.

The Applicant has not identified preferable alternative methods of addressing its own patient growth, or for bringing retinal surgery to the service area.

Waiting for a period of years is not a reasonable option. In 2016, Perimeter's one O.R. operated at 276% of the State Health Plan standard of 884 cases per O.R.

Case time analysis indicates that one O.R. would exceed 70% utilization of the available O.R. time during the year before the relocation, and would reach 84% in the first year at the new site. The facility's support spaces need to be expanded for its current caseloads, let alone future increases in cases. Expansion is not possible within its present building. These considerations justify approval for a second O.R. now. Delaying the decision in favor of adding a second O.R. after the facility opens would interrupt clinical services and would be more costly than building a two-O.R. facility initially.

B. Document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements.

The project does not require new construction--only a build-out of shell space currently being constructed for a large Medical Office Building.

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b. It appears in 2016, 259 of 883, or 29% of Cataract and Laser Center, LLC's patients originated in the applicant's proposed service area of Warren (33), White (33), Putnam (168), and Overton (25) Counties. If approved, how will this project impact Cataract and Laser Center, LLC's future utilization?

This project should not affect that facility's utilization. Ophthalmologists tend to receive their referrals from networks of optometrists and primary care physicians in their areas. Perimeter Surgery Center in Putnam County, and the Cataract and Laser Center in Cumberland County, like the hospitals in their home counties, tend to have different referral networks. And referred patients themselves are usually interested in getting eye surgery in the communities where they seek other types of care; some in these counties prefer to go to Cookeville and others prefer to go to Crossville. So the growth in cases at Perimeter have not come, and will not come, at the expense of the Crossville facility.

16. Section B. Orderly Development, Item 5 (b) (3)

It is noted Steven Flatt, MD is a 20% owner in Perimeter Surgery. According to the Tennessee Department of Health's web-site there appears to be adverse licensure actions and civil penalties issued by the Tennessee Department of Health for Dr. Steven G. Flatt (license # 19738) of Cookeville, TN. If so, please provide an overview of the board action and a copy.

Please refer to the website materials following this page. Dr. Flatt is not on the medical staff of Perimeter; he is an Internal Medicine physician whose connection to the project is that he owns the building in which Perimeter has always been located, and is a passive investor in the surgery center. The referenced event did not take place at Perimeter Surgery Center and did not involve a patient of Perimeter Surgery Center.

In addition, page 3 of the submitted application had an error in the ownership percentages of the applicant LLC. Drs. Hudson and Flatt's percentages were reversed. Attached following this page is a revised page 3R showing the corrected percentages of ownership.

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Because ophthalmologists must spend time in their clinics providing non-acute patient care, they cannot utilize eye surgery center operating rooms 8 hours a day five days per week. This small one-O.R. facility can be scheduled an average of 3.5 days per week currently. With a second O.R. the facility can be staffed an average of 4.0 days per week. The daily schedule is, and will continue to be, that surgeries will start at 8 am and end at 4:30 pm, with a half hour lunch break.

If granted CON approval in August 2017, the facility can be completed by mid- to late-CY 2018. Its first full calendar year of operation will be CY2019.

(2) Ownership Structure

Perimeter Surgery Center is owned by Clearer Vision, LLC, which has owned the facility since it received CON approval in 2001. The LLC's members and their interests are as follows. No change is proposed in their percentages of membership.

Stewart Galloway, M.D.	45%
Steven Flatt, M.D.	35%
Alissa Hudson, M.D.	20%

Of these members, only Dr. Galloway owns an interest in any other licensed facility in Tennessee. He is the majority owner of the LLC that is the licensee for Plateau Surgery Center, a single-specialty eye surgery center in the Fairfield Glade area of Cumberland County.

(3) Service area

Perimeter Surgery Center draws 85% of its patients from a 6-county primary service area. These contiguous counties are Putnam (where Perimeter Surgery Center is located), DeKalb, Jackson, Overton, Warren, and White.

(4) Existing similar service providers

There are no other single-specialty ambulatory eye surgery centers in the primary service area. In Putnam County, there are two multi-specialty ambulatory surgical treatment centers ("ASTC"). Neither ASTC lists ophthalmologists on the medical staff, or reported performing ophthalmology cases, in its 2016 Joint Annual Report.

There are no single-specialty or multi-specialty ambulatory surgical treatment centers licensed in the other five primary service area counties.

(5) Project cost

The cost for CON purposes is estimated at \$1,751,535. However, that includes the market value of the shell space being leased for the project. Excluding that, the actual capital cost of this project is estimated at \$845,463.

May 25, 2017**2:41 pm****STATE OF TENNESSEE
DEPARTMENT OF HEALTH**

IN THE MATTER OF:)	BEFORE THE TENNESSEE BOARD
)	OF MEDICAL EXAMINERS
STEVEN G. FLATT, M.D.)	
RESPONDENT)	CASE NO: 2013019051
)	
COOKEVILLE, TENNESSEE)	
TENNESSEE LICENSE NO.: 19738)	

CONSENT ORDER

Come now the Division of Health Related Boards of the Tennessee Department of Health (hereinafter the "Division"), by and through the Office of General Counsel, and Respondent Steven G. Flatt, M.D. (hereinafter "Respondent"), who would respectfully move the Tennessee Board of Medical Examiners (hereinafter the "Board") for approval of this Consent Order affecting Respondent's medical license in the State of Tennessee.

The Board is responsible for the regulation and supervision of medical doctors licensed to practice in the State of Tennessee. *See* Tennessee Medical Practice Act, Tennessee Code Annotated Section (hereinafter "TENN. CODE ANN. §") 63-6-101, *et seq.* It is the policy of the Board to require strict compliance with the laws of this State, and to apply the laws so as to preserve the quality of medical care provided in Tennessee. It is the duty and responsibility of the Board to enforce the Tennessee Medical Practice Act in such a manner as to promote and protect the public health, safety and welfare in every practicable way, including disciplining medical doctors who violate the provisions of TENN. CODE ANN. § 63-6-101, *et seq.* or the Rules and Regulations promulgated by the Board and recorded in the Official Compilation Rules and Regulations of the State of Tennessee (hereinafter "TENN. COMP. R. & REGS.").

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Respondent, by his signature to this Consent Order, waives the right to a contested case hearing and any and all rights to judicial review in this matter. Respondent agrees that presentation to and consideration of this Consent Order by the Board for ratification and all matters divulged during that process shall not constitute unfair disclosure such that the Board or any of its members shall be prejudiced to the extent that requires their disqualification from hearing this matter should this Order not be ratified. Likewise, all matters, admissions and statements disclosed or exchanged during the attempted ratification process shall not be used against Respondent in any subsequent proceeding unless independently entered into evidence or introduced as admissions.

Respondent expressly waives all further procedural steps and expressly waives all rights to seek judicial review of or to challenge or contest the validity of this Consent Order. Respondent understands that by signing this Consent Order, Respondent is allowing the Board to issue its order without further process. Respondent acknowledges that this is a formal disciplinary action and will be reported to the Health Integrity and Protection Data Bank and/ or similar agency. In the event that the Board rejects this Consent Order for any reason, it will be of no force or effect for either party.

I. STIPULATIONS OF FACT

1. Respondent has been at all times pertinent hereto licensed by the Board as a medical doctor in the State of Tennessee, having been granted Tennessee medical license number 19738 by the Board on May 31, 1989, which has a current expiration date of March 31, 2015.
2. On or about June 2011, Respondent entered into a romantic relationship with S.P.

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3. Approximately five (5) weeks later in July, S.P. became a patient of record and was treated by Respondent for problems including Attention Deficit Disorder (ADD), anxiety and hypertension.
4. Respondent admits to treating S.P. from July 2011 until July 2012. During the time of treatment, Respondent wrote prescriptions for Lorazepam, Concerta, Adderall and Vyvanse. These medications were documented in patient S.P.'s medical record and administered in appropriate amounts.
5. In July 2012, Respondent admits to referring S.P. to another medical professional in order to end the dual relationship of physician and boyfriend.

II. GROUNDS FOR DISCIPLINE

The facts stipulated to in the Stipulations of Fact are sufficient to establish that grounds for discipline of Respondent's medical license exist. Specifically, Respondent has violated the following statutes or rules which are part of the Tennessee Medical Practice Act, (TENN. CODE ANN. § 63-6-101, *et seq.*) for which disciplinary action before and by the Board is authorized:

6. The facts stipulated in paragraphs one through five, *supra*, constitute a violation of TENN. CODE ANN. § 63-6-214 (b) (1):

Unprofessional, dishonorable or unethical conduct

III. POLICY STATEMENT

The Tennessee Board of Medical Examiners takes this action in order to protect the health, safety and welfare of the citizens of the State of Tennessee and ensure that the public confidence in the integrity of the medical profession is preserved.

May 25, 2017**2:41 pm****IV. ORDER**

NOW THEREFORE, Respondent, for the purpose of avoiding further administrative action with respect to this cause, agrees to the following:

7. The Tennessee medical license of Steven G. Flatt, M.D., license number 19738, is hereby placed on **PROBATION** for one (1) year effective the date of entry of this Order.
8. During the probationary period, Respondent must enroll in and successfully complete a continuing medical education course pertaining to professional boundaries. Within thirty (30) days after completion of such course, Respondent shall mail or deliver proof of compliance with this course requirement to: **Disciplinary Coordinator, The Division of Health Related Boards, Tennessee Department of Health, 665 Mainstream Drive, 2nd Floor, Nashville, Tennessee 37243**. Any continuing medical education course hours earned from attendance and completion of the course required by this paragraph shall be in addition to the hours required to maintain licensure.
9. Upon filing of a Request for Order of Compliance by Respondent, expiration of the probationary period time period, and demonstrating to the Board successful completion of the coursework ordered above, Respondent's probation will be lifted at the Board's discretion.
10. Respondent must pay twelve (12) "Type C" civil penalties, in the amount of one hundred dollars (\$100.00) each, for a total assessment of one thousand two hundred dollars (\$1,200.00), representing the twelve (12) months of the unprofessional dual relationship outlined in paragraphs three through five of the Stipulations of Fact, *supra*. Any and all civil penalties shall be paid within thirty (30) days of the effective date of this Consent

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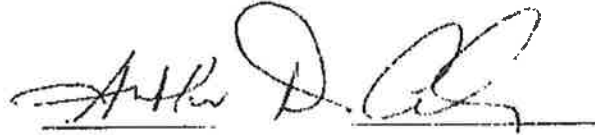
Order. Any and all civil penalty payments shall be paid by certified check, cashier's check, or money order payable to the **State of Tennessee**, which shall be mailed or delivered to: **Disciplinary Coordinator, The Division of Health Related Boards, Tennessee Department of Health, 665 Mainstream Drive, 2nd Floor, Nashville, Tennessee 37243**. A notation shall be placed on said check that it is payable for the civil penalty of Steven G. Flatt, M.D., COMPLAINT NO. 201301905.

11. Respondent shall pay, pursuant to TENN. CODE ANN. § 63-6-214(k) and Rule 0880-02-.12(1)(j) of the *Official Compilation Rules and Regulations of the State of Tennessee*, the actual and reasonable costs of prosecuting this case to the extent allowed by law, including all costs assessed by the Office of Investigations, Secretary of State, Administrative Procedures Division as well as the Office of General Counsel. These costs will be established by an Assessment of Costs prepared and filed by counsel for the Department. The maximum amount for the assessment of costs shall be two thousand dollars (\$1,000.00). Any and all costs shall be paid in full within thirty (30) days from the issuance of the Assessment of Costs by submitting a certified check, cashier's check, or money order payable to the **State of Tennessee**, which shall be mailed or delivered to: **Disciplinary Coordinator, The Division of Health Related Boards, Tennessee Department of Health, 665 Mainstream Drive, Nashville, Tennessee 37243**. A notation shall be placed on said check that it is payable for the costs of Steven G. Flatt, M.D., COMPLAINT NO. 201301905.

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This **CONSENT ORDER** was approved by a majority of a quorum of the Tennessee Board of Medical Examiners at a public meeting of the Board and signed this 17th day of September, 2014.



Chairperson
Tennessee Board of Medical Examiners

APPROVED FOR ENTRY:



Steven G. Flatt, M.D.
Respondent

8/15/14
DATE



Jennifer L. Putnam (B.P.R. #029890)
Assistant General Counsel
Office of General Counsel
Tennessee Department of Health
665 Mainstream Drive, 2nd Floor
Nashville, Tennessee 37243
(615) 741-1611

8/18/14
DATE

May 25, 2017**2:41 pm****CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of this document has been served upon Respondent, Steven G. Platt, M.D., 1101 Neal Street, Cookeville, Tennessee 38501, by delivering same in the United States Mail, Certified Numbers 7014 1200 00 01 0701 2618, return receipt requested, and United States First Class Postage Pre-Paid Mail, with sufficient postage thereon to reach its destination.

This 19TH day of September, 2014.

Jennifer L. Putnam
Jennifer L. Putnam
Assistant General Counsel

Search Results

May 25, 2017**2:41 pm**

An official copy of this document is available, with applicable fees, from the Office of Investigations. For more information, please contact the Tennessee Department of Health, Office of Investigations, 665 Mainstream Drive, 2nd Floor, Nashville, Tennessee 37243, or 615-532-3426.

The following disciplinary information exists for the professional selected:

Name: FLATT MD, STEVEN G	Profession: Medical Doctor	Lic #: 19738

ACTION	REASON	EFFECTIVE DATE
License placed on probation with terms, assessed \$1,200 civil penalty and costs not to exceed \$1,000	Unprofessional, dishonorable or unethical conduct	9/17/2014 View Board Order
Probation lifted	Per Order of compliance	9/16/2015 View Board Order

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Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please email or telephone me so that we can respond in time to be deemed complete.

Respectfully,



John Wellborn
Consultant

May 25, 2017

2:41 pm

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY:

PERIMETER SURGERY CENTER

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the lawful agent of the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete to the best of my knowledge.

John L. Wellborn
Signature/Title
CONSULTANT

Sworn to and subscribed before me, a Notary Public, this the 24th day of May, 2017, witness my hand at office in the County of DAVIDSON, State of Tennessee.

[Signature]
NOTARY PUBLIC

My commission expires

July 2, 2018

HF-0043

Revised 7/02



May 25, 2017

2:41 pm

MAY 25 2017 2:41 PM

LEASE AGREEMENT

BY AND BETWEEN

Cookeville Eye Group General Partnership

("LANDLORD")

AND

Clearer Vision, LLC d/b/a Perimeter Surgery Center

("TENANT")

FOR SPACE AT

1125 Perimeter Park Drive, Cookeville, TN 38501

Dated: 5-19-17

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Landlord: Cookeville Eye Group, General Partnership

Address of Landlord: 1059 Neal Street, Cookeville, Tennessee

Address for Payment of Rent: See above

Tenant: Perimeter Surgery Center

Address of Tenant: 1059 Neal Street, Cookeville, Tennessee
Cookeville, Tennessee

Premises Address: 1125 Perimeter Park Drive, Cookeville, TN 38501

Premises Rentable Area: Suite 100, approximately 5,541 rentable square feet

Initial Base Rent for Term:

Period	Base Rent per s/f	Monthly Base Rent	Yearly Base Rent
Full months 1 through 12 inclusive, plus any partial month at the beginning of the Lease Term:	\$32.25	\$14,891.44	\$178,697.25
Full months 13 through 24 inclusive:	\$32.25	\$14,891.44	\$178,697.25
Full months 25 through 36 inclusive:	\$32.25	\$14,891.44	\$178,697.25
Full months 37 through 48 inclusive:	\$32.25	\$14,891.44	\$178,697.25
Full months 49 through 60 inclusive:	\$32.25	\$14,891.44	\$178,697.25
OPTIONAL 4 (FOUR), FIVE (5) YEAR EXTENSION			
Full months 61 through 72 inclusive:	\$33.22	\$15,339.34	\$184,072.02
Full months 73 through 84 inclusive:	\$33.22	\$15,339.34	\$184,072.02
Full months 85 through 96 inclusive:	\$33.22	\$15,339.34	\$184,072.02
Full months 97 through 108 inclusive:	\$33.22	\$15,339.34	\$184,072.02
Full months 109 through 120 inclusive:	\$33.22	\$15,339.34	\$184,072.02

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	Base Rent per s/f	Monthly Base Rent	Yearly Base Rent
Full months 121 through 180 inclusive:	..\$34.22	\$ 15,801.09	\$ 189,613.02
Full months 181 through 240 inclusive:	\$35.25	\$ 16,276.69	\$ 195,320.25
Full months 241 through 300 inclusive:	\$36.31	\$ 16,766.14	\$ 201,193.71

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease"), made and entered into on 5-19-17 (the "Effective Date"), by and between, Cookeville Eye Group General Partnership, a general partnership authorized to do business in Tennessee ("Landlord"), and Clearer Vision, LLC d/b/a Perimeter Surgery Group ("Tenant").

WITNESSETH:

WHEREAS, Landlord desires to demise, lease and rent unto Tenant, and Tenant desires to rent and lease from Landlord space located at 1125 Perimeter Park Drive, Cookeville, TN 38501, as more particularly described on Exhibit A (the "Building"), together with all improvements thereon and appurtenant rights thereto including, without limitation, parking areas, easements, declarations and rights of way; and

WHEREAS, the Building contains approximately 18,500 rentable square feet (the "Building Rentable Area") and the leased premises (the "Premises") shall consist of approximately 5,541 rentable square feet (the "Premises Rentable Area") located in Suite 100 as more fully depicted on the floor plan attached as Exhibit B.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, Landlord does hereby demise, lease and rent unto Tenant and Tenant does hereby rent and lease from Landlord the Premises, under and pursuant to the following terms and conditions:

1. **Demise; Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises and all easements and appurtenances related thereto, for the rents, covenants and conditions (including limitations, restrictions and reservations) hereinafter provided, together with parking for Tenant's employees, patients and invitees in the locations shown on Exhibit A and the nonexclusive right to use all Common Areas (as defined in Section 20.1(a)).

May 25, 2017**2:41 pm****2. Term and Delivery of Premises.**

2.1 Term. The term of this Lease shall be for 60 months (the "Term") and shall commence (the "Commencement Date") upon the date that the Landlord receives a Certificate of Occupancy from the local building officials, or Substantial Completion has occurred. Landlord shall deliver possession of the Premises to Tenant on the Commencement Date. The expiration date of the Term shall be the last day of the 60th month following the Commencement Date (the "Expiration Date"), unless the Term is renewed in which event the Expiration Date shall extend to the end of such exercised renewal period. Each 12-month period beginning on the Commencement Date or any anniversary thereof shall hereinafter be called a "Lease Year." Upon determination of the Possession Date and Commencement Date, Landlord shall complete, execute and forward a Commencement Date Memorandum in the form attached as Exhibit C to Tenant for Tenant's approval and execution. In the event the Possession Date does not fall on the first day of the month, Base Rent and Additional Rent shall be prorated for any partial month and Tenant shall pay for such proration on the first day of the month following the Commencement Date.

2.2 Completion of the Premises. Upon Substantial Completion (as defined below) of the Premises, Landlord and Tenant will inspect the Premises and develop a "punch list" identifying the corrective work of the type commonly found on an architectural punch list with respect to all improvements, which list will be in the Landlord's reasonable discretion based on whether such items were included in the scope of work that the Landlord agreed to provide to the Tenant for the buildout. If Tenant refuses to inspect the Premises with Landlord promptly after Substantial Completion, Tenant is deemed to have accepted the Premises as delivered. Within ten (10) days after delivery of the punch list, Landlord will commence the correction of the punch list and diligently pursue such work to completion. The punch list procedure to be followed by the Landlord and Tenant does not limit the Tenant's obligation to occupy the Premises under the Lease or in any way excuse the Tenant's obligation to pay Rent as provided herein unless such punch list items preclude Tenant from occupying the Premises as reasonably determined by the Landlord and Tenant.

2.3 Substantial Completion. Substantial Completion as used herein means delivery of written notice to the Tenant of the completion of construction of the Premises pursuant to the scope of work that the Landlord agreed to provide to the Tenant for the buildout so the Premises is ready to be occupied and used for its intended purpose with the exception of minor detail of construction installation, decoration or mechanical adjustments.

2.4 Security Deposit. Tenant shall remit a security deposit equal to one months' rent, or \$14,891.44 as security for any damage caused by Tenant to the Premises beyond ordinary wear and tear.

3. Rent. Beginning on the Commencement Date, Tenant shall pay as initial annual base rent ("Base Rent") the amount set forth in the Data Sheet, in advance, on the first day of each calendar month during the Term, such monthly installment and any Additional Rent or other charges to be prorated for any partial calendar month in which the Commencement Date or Expiration Date occurs.

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Except as otherwise provided in this Lease, it is the intention of the parties that Landlord shall receive Base Rent, Additional Rent, and all sums payable by Tenant under this Lease free of all taxes, expenses, charges, damages and deductions of any nature whatsoever (except as otherwise provided herein).

4. Renewals. Tenant shall have the right and option to renew this Lease for four (4) additional period of five (5) years, next immediately ensuing after the expiration of the initial Term and any subsequent renewal period by notifying Landlord in writing not more than 24 months and not less than six months before the expiration of the immediately preceding initial Term or subsequent renewal Term of Tenant's intention to exercise its option to renew. Notwithstanding prior delivery of such notice, the notice shall be effective, notwithstanding anything to the contrary in such notice, not earlier than six months before the expiration of the immediately preceding initial Term. In the event Tenant fails to provide a renewal notice during such period, Landlord shall notify Tenant in writing within 90 days prior to expiration of the then existing Term of Tenant's option to extend this Lease. Tenant shall then have an additional 30-day period after receipt of Landlord's notice to exercise its right of renewal. In the event that Tenant so elects to extend this Lease, then, for such extended period of the Term, all of the terms, covenants and conditions of this Lease shall continue to be, and shall be, in full force and effect during such extended period of the Term, except that Base Rent shall be paid as set forth in the Data Sheet.

5. Condition of Premises. Landlord warrants to Tenant, for a period of one year after the Commencement Date that the existing systems and equipment constituting a part of the Premises will be in good order and condition. Tenant shall give written notice to Landlord within such one year period of any existing condition with the existing systems and equipment of the Premises which Tenant reasonably determines to be defective or other than as represented by Landlord herein. Landlord will, upon receipt of such notice from Tenant, promptly repair such defective condition, at Landlord's cost and expense. Landlord represents and warrants that the roof and roof membrane are free of leaks and in good condition as of the Possession Date. This section is a warranty of construction and alters the Tenant's obligations to provide repairs that it would otherwise be required to make under Section 20 during the first year. The warranty provided herein does not alter the Landlord's continuing obligation to make repairs to the "shell" during any Lease Term.

6. Use of Premises. Tenant may occupy and use the Premises during the Term for purposes of the operation of surgery center and only on such terms and conditions as approved by the Tennessee Department of Health (the "Permitted Use"). Tenant may operate during such days and hours as Tenant may determine, without the imposition of minimum or maximum hours of operation by Landlord, and Tenant shall have exclusive use of and full-time access to the Premises, and may operate, up to 24 hours per day, seven days per week, year-round.

7. Assignment/Subletting. Except for a Permitted Transfer (as defined below), Tenant shall not assign this Lease, or sublet the Premises, or any part thereof, without Landlord's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed. Any denial by Landlord of such sublease or assignment by Tenant must be predicated upon a commercially or legally reasonable basis for such denial. Prior to any sublease or assignment, Tenant shall first

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notify Landlord in writing of its election to sublease all or a portion of the Premises or to assign this Lease or any interest hereunder. At any time within 30 days after service of such notice, Landlord shall notify Tenant that it consents or refuses to consent to the sublease or assignment. A failure by Landlord to respond within such 30-day period shall be deemed to be a consent.

Notwithstanding the foregoing, no consent of Landlord is required for Tenant to assign, sublet or otherwise transfer (by operation of law or otherwise) this Lease or any of its rights hereunder to: (i) any person, corporation, partnership or other entity which acquires all or substantially all of the business or assets of Tenant or equity in Tenant; (ii) any person, corporation, partnership or other entity which controls, is controlled by or is under common control with Tenant; (iii) any affiliate (within the meaning of such term as set forth in Rule 501 of Regulation D under the Federal Securities Act of 1933, as amended) of Tenant; or (iv) any physician, person, corporation, partnership or other entity subleasing a portion of the Premises for purposes consistent with Tenant's Permitted Use (each a "Permitted Transfer").

No assignment, sublease or other transfer, in whole or in part, of any Tenant's rights or obligations under this Lease shall release Tenant hereunder and Tenant shall remain responsible for performing Tenant's obligations hereunder should Tenant's assignee, subtenant or transferee fail to perform any such obligations, unless specifically provided otherwise by Landlord in writing.

8. Operating Expenses and Utilities.

8.1 The parties acknowledge that this Lease is a triple net lease and the Base Rent does not include Operating Expenses, Taxes, Insurance or CAM Charges (as defined below). "Taxes" shall mean Tenant's pro-rata share of all real property taxes, public charges and assessments assessed or imposed during the Term upon the Building or land on which the Building is located. Landlord shall pay all Taxes prior to delinquency. "Insurance" shall mean Tenant's pro-rata share of all insurance premiums paid for the Building pursuant to the requirements of Section 18.1 below. "CAM Charges" shall mean all maintenance charges for the Building and the Common Areas (as defined in 8.3 below).

8.2 Operating Expenses. Tenant shall pay the cost of all utilities and other services necessary in the operation of the Premises, including but not limited to, gas, fuel oil, electrical, telephone, cable, satellite, internet, janitorial and other utility charges. The Premises shall be separately metered for all utilities, including gas, water and electricity.

8.3 CAM Charges. Tenant shall pay as Additional Rent each month its pro-rata portion of CAM Charges. CAM Charges shall include all costs associated with the Landlord's operation and maintenance of the Building and the common areas of the Building which shall include but not be limited to: management and accounting, building security, repairs, maintenance, utilities (water, gas, electricity, internet, phone, cable, satellite, etc.) for the common areas, maintenance (elevator, landscape, interior, and common area janitorial services), and any other charge, expense or cost required by the Landlord to fulfill its obligations under Section 20.1(a) of this Lease, including without limitation, wages, salaries and other compensation of employees of the Landlord. CAM shall not include any charge that is properly billed to a tenant of the Building for repair to any leased premises.

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8.4 **Additional Rent.** Tenant shall pay monthly with its payment of Base Rent as Additional Rent, Taxes, Insurance and CAM Charges which, combined shall be estimated and assessed at \$8.00 per square foot, payable monthly, for the first year of the Lease. At the end of the first year, Taxes, Insurance and CAM Charges shall be calculated based on actual expenditures. Should the actual Taxes, Insurance and CAM Charges exceed the estimated charge, Tenant shall tender an additional payment to Landlord within ten (10) days of receipt of an invoice therefor. Should the first years' estimated Taxes, Insurance and CAM expenses exceed actual expenses, Landlord shall refund the overpayment to the Tenant. Thereafter, each years' CAM Charges shall be based on the preceding years' actual Taxes, Insurance and CAM Charges with an adjustment being made after actual Taxes, Insurance and CAM Charges are known for the year.

9. **Landlord Improvements.** Landlord shall construct improvements to the Premises (the "Premises Improvements"). Landlord shall contract for the Premises Improvements with a contractor of Landlord's choice. Landlord and Tenant shall mutually approve the plans and specifications of Premises Improvements prior to the commencement of such work. The Landlord shall provide a maximum allowance of \$892,000.00 for the Premises Improvements which shall include costs of planning, design, permitting, construction labor and materials of the Premises. Any unused allowance shall be maintained by the Landlord. Tenant shall be required to fund any expenditures that exceed the maximum buildout allowance. Within forty-five (45) days of the Effective Date, the Tenant shall submit their plans to the Architect.

Tenant shall have the right, at its own cost and expense, to place a generator and biomedical waste container outside of and in close proximity to the Premises. In the event the generator is located within the Premises, Tenant, at Tenant's cost and expense, shall have the right to install exhaust venting for such generator from the interior of the Premises to the outside of the Building and a transfer switch to service the generator.

To the maximum extent permitted by applicable Laws, Landlord hereby waives any rights which Landlord may have, as to any of Tenant's furniture, fixtures, equipment, personal property, improvement and alterations, in the nature of a landlord's lien, security interest or otherwise and further waives the right to enforce any such lien or security interest.

10. **Improvements/Signage.** Tenant is solely responsible for the performance and expense of design, layout provision, delivery and installation of any furniture, furnishings, telephone systems, computer systems, office equipment, personal property and any trade fixtures (the "Personal Property") Tenant will use at the Premises. Landlord and Tenant shall work cooperatively to allow Tenant to install its furnish its Personal Property prior to Substantial Completion so as to allow Tenant to commence operations once the Premises are turned over to the Tenant. Tenant shall have the right to erect, affix and display such signage as Tenant may consider necessary or desirable on the exterior and interior walls, doors and windows of the Premises and a sign on the exterior of the Building as shall be agreed to by Landlord in accordance with the rules and regulations of the Building. All such signs shall comply with all applicable zoning Laws. Tenant shall obtain Landlord's prior approval for signs on the exterior of the Building. No individual Tenant signs shall be permitted.

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11. Alterations. Tenant shall have the right to make such interior non-structural alterations, additions and improvements to the Premises ("Alterations") that it shall deem desirable for the operation of its business provided that any such Alterations shall not diminish the value of the Premises nor impair the structural integrity of the Premises or the Building. All Alterations shall be in conformance to applicable governmental codes. All alterations shall require Landlord's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed.

12. Environmental.

12.1 Tenant shall not cause or permit any hazardous or toxic substances, materials or waste, including, without limitation, medical waste and asbestos ("Hazardous Substances") to be used, generated, stored or disposed of in, on or under, or transported to or from, the Premises in violation of any applicable local, state, and federal laws, ordinances, statutes, rules, regulations, executive orders, judgments, decrees, case law, and/or other determinations of an arbitrator or a court or other governmental authority, in each case applicable to or binding upon such person or any of its property or to which such person or any of its property is subject ("Laws"), whether now in existence or hereafter adopted, relating to Hazardous Substances or otherwise pertaining to the environment ("Environmental Laws"). Tenant shall periodically cause to be removed from the Premises such Hazardous Substances placed thereon by Tenant or Tenant's agents, servants, employees, guests, invitees or independent contractors in accordance with good business practices, such removal to be performed by persons or entities duly qualified to handle and dispose of Hazardous Substances. Without limiting the generality of the foregoing, Landlord acknowledges that Hazardous Substances, among others, are required for Tenant's business operations. Upon the expiration or earlier termination of this Lease, Tenant shall cause all Hazardous Substances placed on the Premises by Tenant to be removed from the Premises, at Tenant's cost and expense and disposed of in strict accordance with Environmental Laws.

12.2 Tenant shall indemnify, defend (by counsel reasonably acceptable to Landlord) and hold Landlord harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including reasonable attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (i) the presence after the Possession Date in, on, under or about the Premises of any Hazardous Substances caused by Tenant or its agents, servants, employees, guests, invitees or independent contractors; (ii) any discharge or release by Tenant or its agents, servants, employees, guests, invitees or independent contractors after the Possession Date in or from the Premises of any Hazardous Substances; (iii) Tenant's use, storage, transportation, generation, disposal, release or discharge after the Possession Date of Hazardous Substances to, in, on, under, about or from the Premises; or (iv) Tenant's failure to comply with any Environmental Law.

12.3 Tenant shall promptly deliver to Landlord copies of all notices made by Tenant to, or received by Tenant from, any state, county, municipal or other agency having authority to enforce any Environmental Law ("Enforcement Agency") or from the United States

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Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises, Building or the land on which the Building is located.

13. Damage to Premises by Fire or Casualty. In the event the Premises shall be damaged by fire or other casualty during the Term, whereby the same shall be rendered untenable, then:

13.1 if the damage to the Premises is so substantial that either: (i) the repair, restoration or rehabilitation of such damage cannot reasonably be expected to be substantially completed within 180 days from the date of such damage or (ii) so much of the Premises is destroyed or rendered untenable by such fire or other casualty as to make use of the Premises as a surgery center, then Tenant may elect to terminate this Lease by giving written notice to Landlord within 30 days of the date of such fire or casualty; or

13.2 if (i) the damage to the Premises is so substantial that the estimated repair costs exceed \$100,000.00 and such damage has occurred within the final 180 days of the then current Term and Tenant has not exercised its renewal option, if any or (ii) the Building is damaged to the extent of 50% or more of the monetary value thereof and Landlord elects not to rebuild the Building, then Landlord may elect to terminate this Lease by giving written notice to Tenant within 30 days of the date of such fire or casualty.

If not so terminated, Landlord shall proceed with all due diligence to repair, restore or rehabilitate the Premises, to substantially its former condition immediately prior to such damage or destruction, at Landlord's cost and expense. Notwithstanding the foregoing, in the event regulatory changes occurring on or after the Effective Date, applicable to sprinklers serving the Premises, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises.

If the Premises are rendered untenable by fire or other casualty, there shall be an abatement of Base Rent and Additional Rent due Landlord by Tenant for the period of time during which the Premises is untenable. If the restoration is not substantially completed within 210 days of such damage, Tenant shall have the option to terminate this Lease by written notice to Landlord. In the event of any termination of this Lease, Base Rent and Additional Rent shall be paid only to the date of such fire or casualty.

In the event that the Premises are partially but not substantially damaged by fire or other casualty, then Landlord shall immediately proceed with all due diligence to repair and restore the Premises to substantially its former condition immediately prior to such damage, at Landlord's cost and expense (excluding restoration of any Tenant Improvements or Alterations which are the responsibility of Tenant hereunder), and Base Rent and Additional Rent shall abate in proportion to that portion of the Premises that is untenable during the period of restoration. Notwithstanding the foregoing, in the event regulatory changes occurring on or after the Effective Date, applicable to sprinklers serving the Premises, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises.

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Notwithstanding the foregoing provisions of this Section 13, in the event that insurance proceeds applicable to Alterations or tenant improvements constructed by Tenant at its expense are made available to Tenant, Tenant shall be responsible for restoring such Alterations or tenant improvements; provided, however, that Base Rent and Additional Rent abatement shall continue during such period of restoration so long as Tenant is diligently pursuing the completion of such restoration. In the event that Landlord does not restore the Premises, Tenant shall retain all insurance proceeds applicable to Alterations and tenant improvements constructed by Tenant at its expense.

14. Eminent Domain.

14.1 **Taking.** If by any lawful authority through condemnation or under the power of eminent domain: (i) the whole of the Premises shall be permanently taken; (ii) less than the entire Premises shall be permanently taken, but the remainder of the Premises are not, in Tenant's sole judgment, fit for Tenant to carry on the normal operation of Tenant's business therein; (iii) Tenant determines, in its sole judgment, that after such taking adequate parking space will not be available near the Premises; (iv) there is any substantial impairment of ingress or egress from or to or visibility of the Premises; (v) all or any portion of the Common Areas shall be taken resulting in a material interference with the operations of or access to Tenant's business; or (vi) a temporary taking of all or a material portion of the Premises continues for a period of one year, then in any such event, Tenant may terminate this Lease by written notice, effective as of the date of such taking, and Base Rent and Additional Rent shall be prorated as of the date of such termination.

14.2 **Rent Adjustment.** Unless this Lease is terminated as provided in Section 14.1, commencing on the date possession is acquired by a condemning authority, Base Rent and Additional Rent shall be reduced by the then applicable per rentable square foot Base Rent and Additional Rent multiplied by the number of rentable square feet taken, and Landlord shall promptly restore the Premises, common areas, and/or replace parking and access to the Premises, at Landlord's cost and expense, to a complete architectural unit (provided, however, in the event regulatory changes occurring on or after the Effective Date require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises), in substantially the same condition that the same were in prior to such taking. During such restoration Base Rent and Additional Rent shall be abated to the extent the Premises are rendered not useable for the Permitted Use.

14.3 **Awards.** All compensation awarded or paid in any such eminent domain proceeding shall belong to and be the property of Landlord without any participation by Tenant, except that nothing contained herein shall preclude Tenant from prosecuting any claim directly against the condemning authority in such eminent domain proceeding for its relocation costs, its unamortized leasehold improvements and trade fixtures, loss of business and other damages recoverable under applicable Laws.

15. Right of Entry by Landlord. Subject to Landlord's obligations under Section 35, Landlord, or any of its agents, shall have the right to enter the Premises during all reasonable hours and upon at least 24 hours prior notice (except in cases of emergency) to perform its

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obligations under this Lease, examine the Premises or, in the six month period immediately preceding the Expiration Date, to exhibit the Premises to potential tenants. Any work done by Landlord to Premises shall be performed during hours that Tenant is not open for business (except in emergencies) unless Tenant, in the exercise of its reasonable discretion, otherwise agrees. Any restoration work or alteration work at the Premises which is necessitated by or results from Landlord's entry, including, without limitation, any work necessary to conceal any element whose presence is permitted hereunder, shall be performed by Landlord at its expense or, at Tenant's election, by Tenant on Landlord's behalf and at Landlord's cost and expense. Landlord shall be liable for all loss, damage or injury to persons or property and shall indemnify and hold Tenant harmless from all claims, losses, costs, expenses and liability, including reasonable attorney's fees resulting from Landlord's entry except to the extent caused by the negligent or intentional act of Tenant or its agents, servants, employees, guests, invitees or independent contractors. In the exercise of Landlord's rights pursuant to this Section, Landlord shall make all reasonable efforts to minimize interference with Tenant's operations.

16. **Indemnity.** Tenant agrees to indemnify Landlord and save Landlord harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises or Building caused or brought about by the act or neglect of Tenant or its agents, servants or employees. Landlord agrees to indemnify Tenant and save Tenant harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises, Common Areas, Building or the land on which the Building is located caused or brought about by the act or neglect of Landlord or its agents, servants or employees. The indemnities set forth in this Section 16 shall survive termination or expiration of this Lease.

17. **Default and Remedies.**

17.1 **Tenant Default and Landlord Remedies.** In the event that (i) Tenant defaults in the payment of Base Rent or Additional Rent hereunder and such Base Rent or Additional Rent remains due and unpaid for ten days after its due date; (ii) Tenant defaults in the performance of any other provisions of this Lease and such default is not cured within 30 days following written notice from Landlord specifying such default (unless such default is not reasonably capable of being cured within such 30 day period and Tenant is diligently prosecuting such cure to completion); (iii) a petition in bankruptcy is filed by or against Tenant (provided Tenant shall have 90 calendar days to stay any involuntary proceeding); or (iv) Tenant makes an assignment for the benefit of its creditors, or a receiver is appointed for Tenant and such receiver is not dismissed within 60 days of its appointment, then, in such event, Landlord, at its option, may (1) declare the Tenant in default and accelerate all rental payments for the remainder of the term of the Lease and proceed against the Tenant for the accelerated rental payments, (2) proceed for past due installments of Base Rent or Additional Rent, reserving its right to proceed to collect the remaining installments when due; (3) for a material breach declare the rights of Tenant under this Lease terminated and, thereafter, recover possession of the Premises through legal process, or a combination of any of the foregoing. Notwithstanding the remedy Landlord may seek, the foregoing cure periods shall be applicable.

May 25, 2017**2:41 pm****18. Insurance.**

18.1 Landlord's Insurance. During the Term, Landlord shall procure and maintain in full force and effect with respect to the Building, Common Areas and the land on which the Building is located (i) a policy or policies of property insurance (including, to the extent required, sprinkler leakage, vandalism and malicious mischief coverage, and any other endorsements required by the holder of any fee or leasehold mortgage and earthquake, terrorism and flood insurance to the extent Landlord reasonably deems prudent and/or to the extent required by any mortgagee) for full replacement value; and (ii) a policy of commercial liability insurance in a minimum amount of \$1,000,000.00 per claim and \$3,000,000.00 in the aggregate for both bodily injury and property damage insuring Landlord's activities with respect to the Premises and the Building for loss, damage or liability for personal injury or death of any person or loss or damage to property occurring in, upon or about the Premises or the Building.

18.2 Tenant's Insurance. Tenant shall, at Tenant's expense, obtain and keep in force with respect to the Premises and Tenant's use thereof commercial general liability insurance in a minimum amount of \$1,000,000.00 per claim and \$3,000,000.00 in the aggregate for both bodily injury and property damage. In no event shall Tenant's insurance provide coverage or indemnity to Landlord for any claim, loss, suit, action or other legal proceeding in which Landlord or its agents, servants, employees, guests, invitees, or independent contractors bear responsibility. Rather, it is the intent of this Section to provide general liability coverage to Landlord when it is made a party to a claim, loss, suit, action or other legal proceeding for which it bears no responsibility. In the event that both Landlord and Tenant bear responsibility for the claim, loss, suit, action or other legal proceeding, then each party will look to its own insurance for coverage. Tenant may carry any insurance required by this Lease under a blanket policy or under a policy containing a self-insured retention. Tenant shall cause its insurance company to list the Landlord as an Additional Insured and shall provide a certificate of insurance prior to taking possession of the premises.

19. Subrogation. Each of the parties hereto hereby releases the other and the other's partners, agents and employees, to the extent of each party's property insurance coverage, from any and all liability for any loss or damage which may be inflicted upon the property of such party even if such loss or damage shall be brought about by the fault or negligence of the other party or its partners, agents or employees; provided, however, that this release shall be effective only with respect to loss or damage occurring during such time as the appropriate policy of insurance shall contain a clause to the effect that this release shall not affect said policy or the right of the insured to recover thereunder. If any policy does not permit such a waiver, and if the party to benefit therefrom requests that such a waiver be obtained, the other party agrees to obtain an endorsement to its insurance policies permitting such waiver of subrogation if it is commercially available and if such policies do not provide therefor. If an additional premium is charged for such waiver, the party benefiting therefrom, if it desires to have the waiver, agrees to pay to the other the amount of such additional premium promptly upon being billed therefor.

20. Repairs and Maintenance.**20.1 Landlord's Maintenance Responsibilities.**

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(a) Landlord shall timely clean, maintain, repair, light, operate and insure those portions of the Building, including improvements, space, equipment and special services, which are provided for use in common by Landlord, Tenant and any other tenants of the Building, whether or not those areas are in, on or service the Building, and without regard to whether they are open to the general public, Tenant's employees, patients, customers and other invitees, or contain facilities or equipment used or usable in the operation of the Building, for which access is restricted to Landlord's personnel. Such areas shall include, without limitation, common restrooms, lobbies, corridors, plazas, aisles, and utility closets located in the Building, all parking areas, access road, driveways, entrances and exits, retaining walls, exterior facilities, landscaped areas, roads and pathways, parking areas, sidewalks, driveways, common utility lines, storm water system, accommodation areas such as sidewalks, grass plots, ornamental planting, direction signs, and the like (collectively, the "Common Areas"). Maintenance services shall include snow and ice removal and repair of the parking lot, and providing security as necessary. Landlord shall maintain insurance for the Common Areas pursuant to the requirements set forth in Section 18.1. Landlord shall maintain and keep the Building and Common Areas in good condition and repair.

(b) Landlord shall, at its sole cost and expense, maintain and keep in good order and repair and promptly make any necessary replacements to the roof, roof membrane, roof covering, concrete slab, footings, foundation, structural components, exterior walls, loading areas, exterior doors and windows, flooring (except for floor covering), utility lines not exclusively serving the Premises, sprinkler, HVAC, plumbing, and electrical systems of the Building.

20.2 Tenant's Maintenance Responsibilities. Except for Landlord's obligations set forth above and except for any damage caused by the acts of negligence by Landlord or its agents, servants, employees, guests, invitees or independent contractors within the Premises, Tenant shall keep the interior, non-structural portions of the Premises, all HVAC systems installed by Tenant, and the non-structural elements of all doors and entrances of the Premises in good order and condition, excepting normal wear and tear, fire, acts of God, acts of Landlord, and/or other casualty or the elements.

21. Brokers. Landlord and Tenant each represent to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease.

22. Title and Parking. Landlord hereby represents to Tenant that Landlord is the owner in fee simple of the Premises, including the Building and all improvements thereon and has the right and authority to enter into this Lease. Landlord hereby represents to Tenant that no covenants, restrictions, liens or other encumbrances affecting the real property upon which the Building is constructed interfere with or adversely affect Tenant's Permitted Use of the Premises. Landlord further represents that Landlord and those signatories executing this Lease on behalf of Landlord have full power and authority to execute this Lease.

Tenant, Tenant's employees, patients, customers and other invitees shall be entitled to the non-exclusive use of the parking area.

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23. Compliance with Laws. Both parties shall comply with all applicable Laws throughout the Term. Landlord represents and warrants to Tenant that as of the Commencement Date the Premises, the Building and the parking areas are in compliance with all Laws, including, without limitation, applicable zoning Laws and with all applicable instruments affecting title to the Premises. Landlord further represents that it has received no notices or communications from any public authority having jurisdiction alleging violation of any Laws relating to the Premises, the Building, or the Common Areas and has received no notices alleging violation of any title instrument.

24. Tenant to Subordinate. Tenant shall, upon request of the holder of a mortgage or deed of trust in the nature of a mortgage on the Premises ("Mortgagee") subordinate any interest which it has by virtue of this Lease, and any extensions and renewals thereof to any mortgages or deeds of trust placed upon the Premises by Landlord, if and only if such Mortgagee shall execute, deliver and record in the appropriate registry of deeds a recognition and non-disturbance agreement in form and content provided in Exhibit D. Landlord shall, at or prior to the Commencement Date, secure from Landlord's present Mortgagee a non-disturbance agreement and Landlord shall secure from any future Mortgagee or lienholder of Landlord a non-disturbance agreement in a form substantially similar to Exhibit D. If Landlord shall not obtain such non-disturbance agreement, then this Lease shall not be subordinate to any such future lien, mortgage, or refinancing.

25. Quiet Enjoyment. Tenant shall, upon payment of the Base Rent and Additional Rent, quietly have and enjoy the Premises during the Term. Landlord agrees that Tenant shall have continuous, peaceful, uninterrupted and exclusive possession and quiet enjoyment of the Premises during the Term.

26. Memorandum of Lease. This Lease shall not be recorded or its terms otherwise disclosed to any third party except as necessary to the Landlord's or Tenant's attorneys or accountants. Concurrent with execution of this Lease, Landlord and Tenant will execute a recordable form of a memorandum or notice of this Lease in the form attached as Exhibit G. Tenant shall be responsible for the cost of recording the same. Upon Landlord's written request, Tenant shall execute and deliver to Landlord a Release of Memorandum of Lease ("Release").

27. Notices. All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be either (i) sent by registered or certified mail, return receipt requested, postage prepaid or (ii) delivered, by hand, or (iii) sent by overnight courier such as Federal Express. All notices to Landlord should be addressed to Landlord at 1059 Neal Street, Cookeville, TN; or at such other place as Landlord may from time to time designate in written notice to Tenant. All notices to Tenant shall be addressed to Tenant at _____ or to any such other place as Tenant may from time to time designate in written notice to Landlord.

28. Estoppel Certificate. Each of Landlord and Tenant agrees at any time and from time to time upon not less than 15 business days' prior written request by the other to execute, acknowledge and deliver to the other an estoppel certificate in the form attached as Exhibit E certifying that (i) this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications),

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(ii) the dates to which Base Rent and other charges have been paid in advance, if any, and (iii) all of the defaults of Landlord or Tenant hereunder, if any, (and if there are no defaults a statement to that effect), it being intended that any such estoppel certificate delivered pursuant to this Section 30 may be relied upon by any prospective purchaser of the Premises or any mortgagee or assignee of any mortgage upon the fee or leasehold of the Premises or by any prospective assignee of this Lease or subtenant of the whole or any portion of the Premises and/or by other party interested in the Premises or any part thereof.

29. **Landlord's Sale of the Building.** Upon Landlord's transfer of interest in the Building and the Premises (the "Sale"), Landlord shall be released from all liability to Tenant and Tenant's successors and assigns arising from this Lease because of any act, occurrence or omission of Landlord occurring after such Sale, and Tenant shall look solely to Landlord's successor in connection with the same. Tenant shall remain bound by this Lease to the new landlord. Within 30 days prior to the effective date of a Sale, Landlord shall notify Tenant whether Landlord's successor-in-interest and assignee to this Lease would or would not be a Referral Source as described in Section 31 below.

30. **Tenant's Satellite and Cable Rights.** Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services. Landlord shall use commercially reasonable efforts to ensure that any subsequent rooftop user does not impair Tenant's data transmission and reception and shall cooperate with Tenant in eliminating any interference caused by any other party using the roof. Tenant shall also have the right to run appropriate electrical cabling from the Premises to connect its electrical generator and associated transfer switch.

31. **Regulatory Compliance.** For purposes of regulatory compliance, a "referring physician" or a "referral source" as to Tenant for services paid for by Medicare or a state health care program shall have the meaning as defined under any federal or state health care anti-referral or anti-kickback, regulation, interpretation or opinion ("Referral Source"). In the event Landlord, or Landlord's successors or assigns, become a Referral Source as described in this Section 31, the following Sections 31.1 through 31.3 shall apply but shall have no effect until such time:

31.1 **Compliance.** Landlord and Tenant agree that it is not the purpose of this Lease to exert any influence over the reason or judgment of any party with respect to the referral of patients or other business between Landlord and Tenant, but that it is the parties' expectation that any referrals which may be made between the parties shall be and are based solely upon the medical judgment and discretion of the patient's physician. The parties further agree and acknowledge that (a) Base Rent is (i) set forth in advance; (ii) consistent with fair market value in an arms-length transaction; (iii) does not take into account the volume or value of any referrals or other business generated between the parties; and (iv) would be reasonable even if no referrals were made between the parties, and (b) Tenant's Proportionate Share does not exceed Tenant's pro-rata share for expenses and the Premises Rentable Area does not exceed the reasonable square footage needed for the legitimate business plans of Tenant.

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31.2 Representations. Each party represents and warrants that: (i) it is not currently excluded from participation in any federal health care program, as defined under 42 U.S.C. Section 1320a-7b; (ii) it is not currently excluded, debarred, suspended, or otherwise ineligible to participate in Federal procurement and non-procurement programs; or (iii) it has not been convicted of a criminal offense that falls within the scope of 42 U.S.C. Section 1320a-7(a), but has not yet been excluded, debarred, suspended or otherwise declared ineligible (each, an "Exclusion"), and agrees to notify the other party within two (2) business days of learning of any such Exclusion or any basis therefore. In the event of learning of such Exclusion, either party shall have the right to immediately terminate this Lease without further liability.

31.3 Compliance with Law. The parties enter into this Lease with the intent of conducting their relationship in full compliance with applicable federal, state and local laws, including, without limitation, the Anti-Kickback Statute and agree and certify that neither party shall violate the Anti-Kickback Statute in performing under this Lease. Notwithstanding any unanticipated effect of any provisions of this Lease, neither party will intentionally conduct itself under the terms of this Lease in a manner that would violate any such law. Landlord agrees not to request an advisory opinion related to the legality of the Lease without the concurrence and approval of Tenant.

32. Protected Health Information.

32.1 Landlord acknowledges and agrees that from time to time during the Term, Landlord and/or its employees, representatives or assigns may be exposed to, or have access to, Protected Health Information ("PHI"), as defined by HIPAA, 45 CFR Parts 160 and 164. Landlord agrees that it will not use or disclose, and Landlord shall cause its employees, or assigns not to use or disclose, PHI for any purpose unless required by a court of competent jurisdiction or by any governmental authority in accordance with the requirements of HIPAA and all other applicable medical privacy Laws. Landlord further agrees that, notwithstanding the rights granted to Landlord pursuant to this Lease, including Section 15, except when accompanied by an authorized representative of Tenant, neither Landlord nor its employees, agents, representatives or contractors shall be permitted to enter areas of the Premises designated by Tenant as location where patient medical records are kept or stored or where such entry is prohibited by applicable state or federal health care privacy Laws.

32.2 Landlord shall preserve, and cause any of its employees and representatives to preserve, any "Confidential Information" of or pertaining to Tenant and shall not, without first obtaining Tenant's prior written consent, disclose to any person or organization, or use for its own benefit, any Confidential Information of or pertaining to Tenant during and after the Term, unless such Confidential Information is required to be disclosed by a court of competent jurisdiction or by any governmental authority. As used herein, the term "Confidential Information" shall mean any business, financial, personal or technical information relating to the business or other activities of Tenant that Landlord obtains in connection with the Lease.

33. Landlord's Consent. Unless otherwise expressly stated herein, whenever Landlord's consent is required under this Lease, such consent shall not be unreasonably withheld,

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conditioned or delayed, and Landlord's reasonable satisfaction shall be sufficient for any matters under this Lease.

34. Surrender of Premises. At the expiration of the Term, whether by expiration of time or otherwise, Tenant shall surrender the Premises to Landlord in broom clean condition free of debris and rubbish, excepting damage caused by reasonable wear and tear, fire to the extent covered by insurance, acts of God, Landlord, condemnation, and/or other casualty or the elements. All alterations which may be made by Tenant shall be the property of Tenant and Tenant shall be entitled to remove from the Premises during the Term all tenant improvements and any and all furniture, removable trade fixtures, equipment and personal property ("Fixtures") installed or located on or in the Premises provided that Tenant repair any and all damage caused by the removal of the foregoing. Any tenant improvements or Fixtures which Tenant does not elect to remove at or prior to the expiration of the Term shall be surrendered with the Premises at the termination of this Lease.

35. Holding Over. In the event Tenant remains in possession of the Premises after the expiration of the Term, or any extensions hereof without the written consent of Landlord, this Lease shall continue on a month-to-month basis, terminable by either party upon 30 days' prior written notice and Tenant shall be obligated to pay Base Rent at 110% the then current rate (including all adjustments) and all other sums then payable hereunder prorated on a daily basis for each day that Landlord is kept out of possession of the Premises. Notwithstanding the foregoing, in the event that applicable Law, including without limitation applicable health care Law, limits the period of any such holdover, both parties shall comply with such applicable Law.

36. Binding Effect. All covenants, agreements, stipulations, provisions, conditions and obligations set forth herein shall extend to, bind and inure to the benefit of, as the case may require, the successors and assigns of Landlord and Tenant respectively, as fully as if any such successor or assign was referenced to wherever reference to Landlord or Tenant, as the case may be, occurs in this Lease.

37. Severability. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by Law.

38. Applicable Law. The Laws of the State where the Premises is located shall govern the validity, performance and enforcement of this Lease, without regard to such State's conflict-of-law principles.

39. Force Majeure. Whenever a day is appointed herein on which, or a period of time is appointed within which, either party hereto is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such party is prevented from, or is interfered with, the doing or completion of such act, matter or thing because of strikes, lock-outs, embargoes,

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unavailability of labor or materials, wars, insurrections, rebellions, civil disorder, declaration of national emergencies, acts of God or other causes beyond such party's reasonable control.

40. Complete Agreement. Any stipulations, representations, promises or agreements, oral or written, made prior to or contemporaneously with this agreement shall have no legal consequences and the only agreement made and binding upon the parties with respect to the leasing of the Premises is this Lease, as the complete and total integration of the intent and understanding of Landlord and Tenant. No amendment or modification of this Lease shall be valid or binding unless reduced to writing and executed by the parties hereto.

41. Counterparts. This Lease may be executed in any number of counterparts via electronic transmission or otherwise, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

42. Incorporation of Exhibits. This Lease is subject to the provisions of the attached Exhibits A-G inclusive, which exhibits are hereby made a part of this Lease.

[Signature pages follow.]

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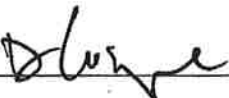
IN TESTIMONY WHEREOF, Landlord and Tenant have caused this Lease to be executed as a sealed instrument, effective as of the day and year first above written.

LANDLORD:

TENANT:

Cookeville Eye Group General Partnership

Perimeter Surgery Center

By: 

Name: Dennis Cosgrove

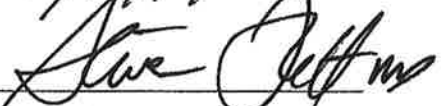
Title: Managing Partner

Date: 5-18-17

By: 

Name: Stewart Gatterberg MD

Date: 5/18/17

By: 

Name: STEVEN FURR MD

Date: 5/19/17

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EXHIBIT A

LEGAL DESCRIPTION/BUILDING SITE PLAN

To Be Provided

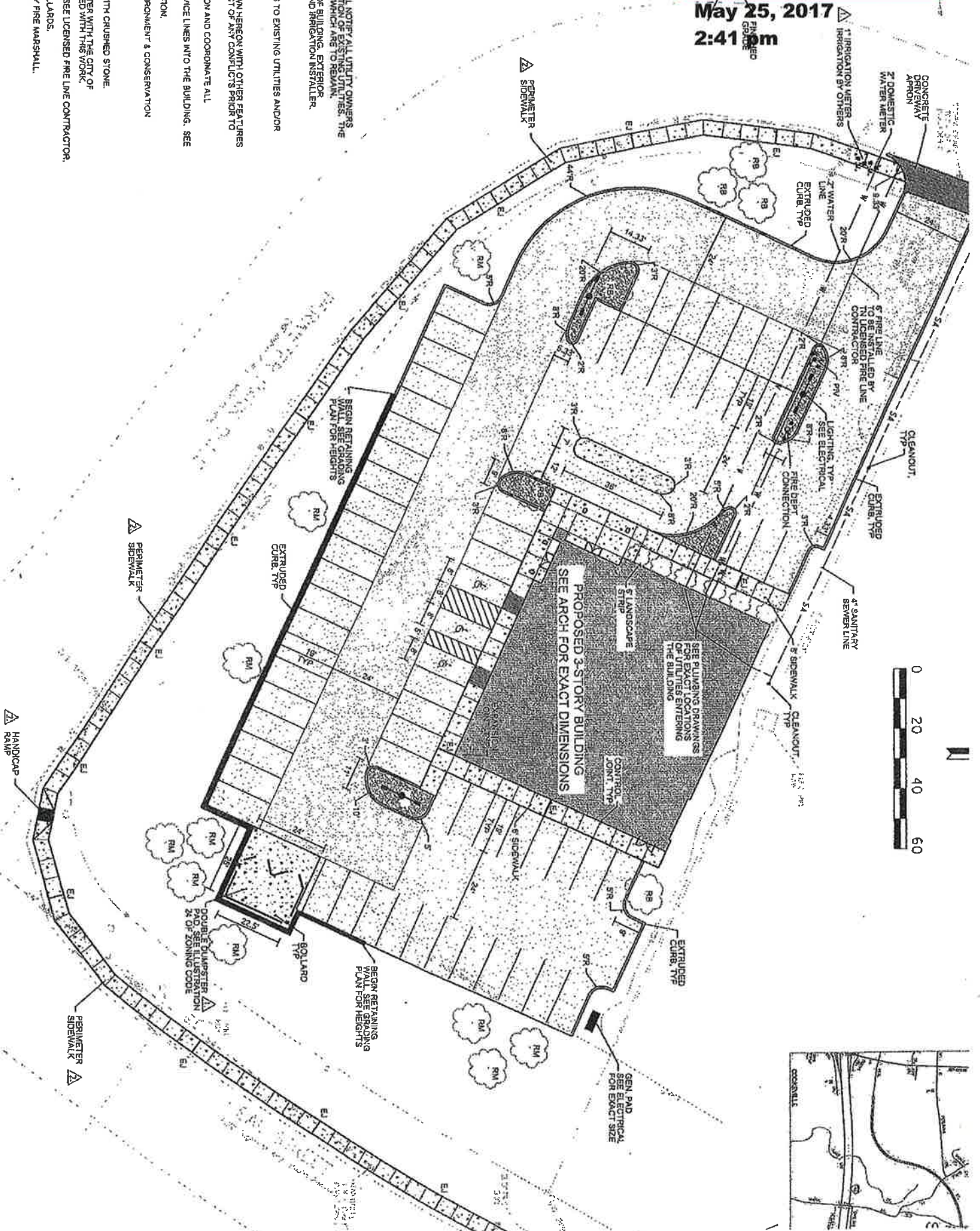
SUPPLEMENTAL #1

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1

1. SHALL NOTIFY ALL UTILITY OWNERS
1. LOCATION OF EXISTING UTILITIES THE
1. NUMBER WHICH ARE TO REMAIN.
1. LOCATION AND IRIGATION INSTALLER.
1. ACTIONS TO EXISTING UTILITIES AND/OR
1. IS SHOWN HEREON WITH OTHER FEATURES
1. EXISTENCE OF ANY CONFLICTS PRIOR TO
1. TRACTION AND COORDINATE ALL
1. THE SERVICE LINES INTO THE BUILDING. SEE
1. STALLATION.
1. OF ENVIRONMENT & CONSERVATION
1. MADE WITH CRUSHED STONE.
1. TER METER WITH THE CITY OF
1. SOCIATED WITH THIS WORK.
1. TENNESSEE LICENSED FIRE LINE CONTRACTOR.
1. FIVE BOLLARDS.
1. HIRED BY FIRE MARSHALL.



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EXHIBIT B

PREMISES FLOOR PLAN

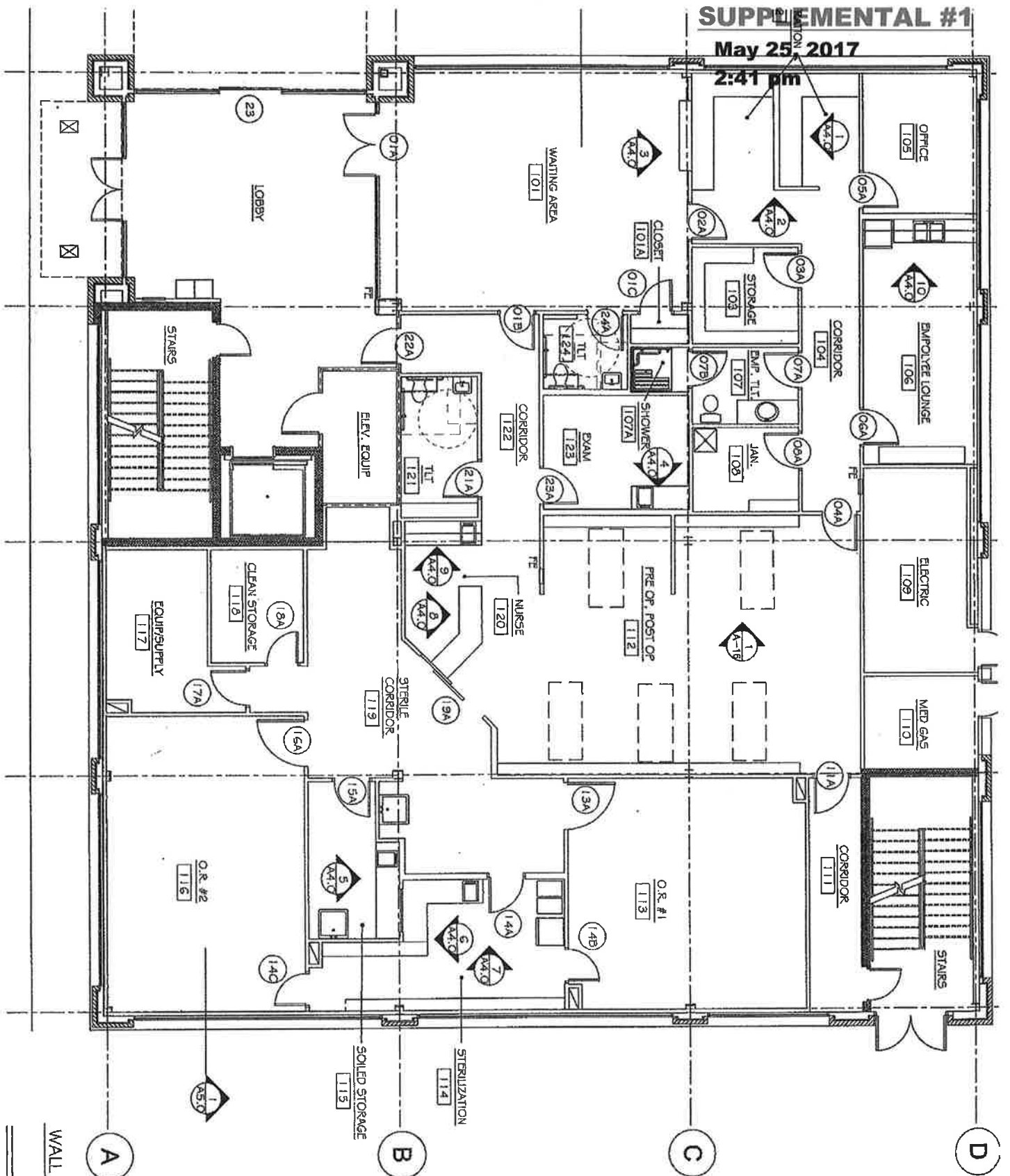
(To be provided)

Cookeville, TN (11449)

SUPPLEMENTAL #1

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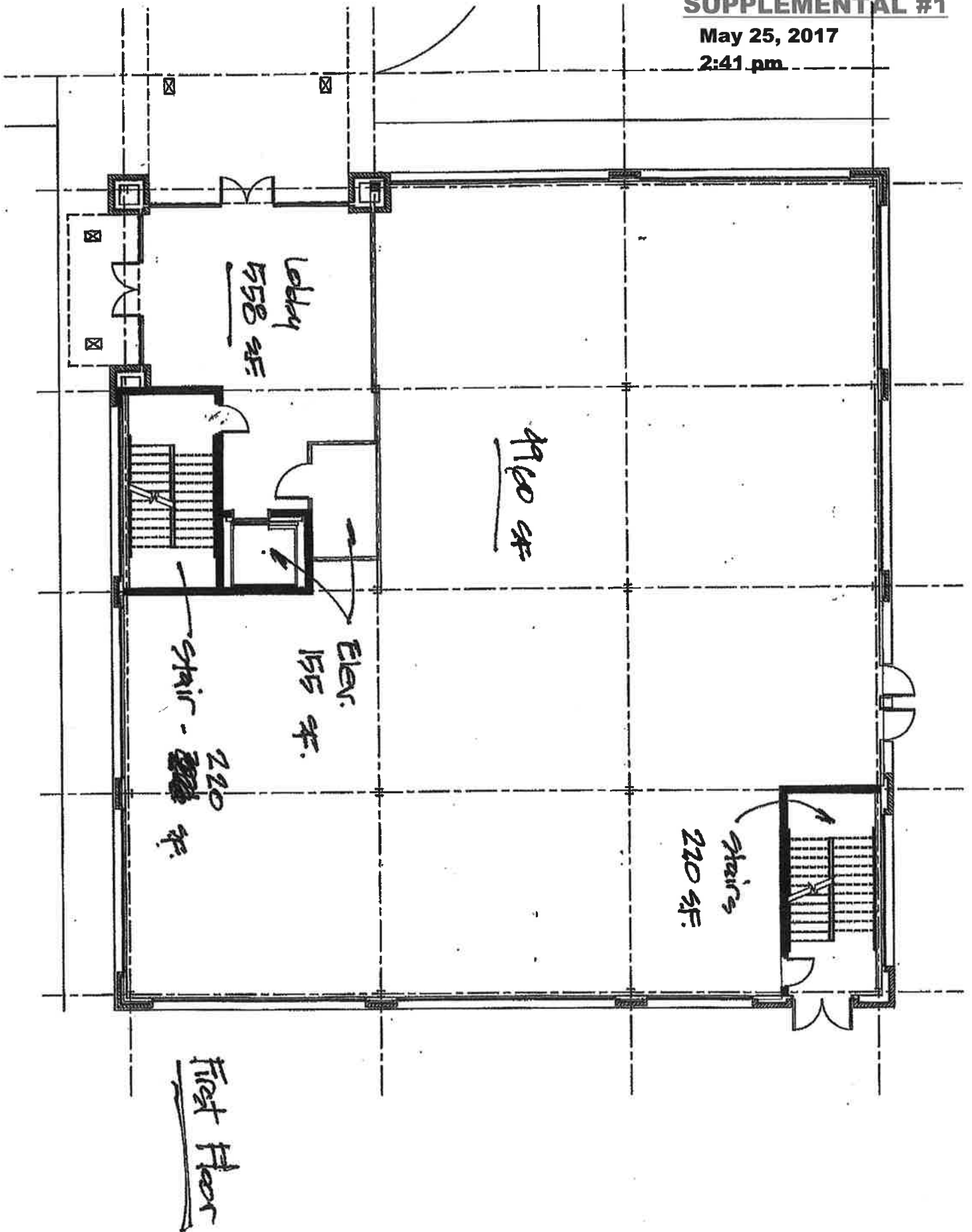
WALL LEGEND

- 2.) CLEARANCE IN MAINTAINED SPACE GRAB BARS & PULL
- 3.) THE CONTRACT BEFORE STARTING DRAWINGS.
- 4.) NOTIFY THE DE REQUIRED IN THE I FOR VERIFICATION OF EQUIPMENT OR CONTINUING WITH
- 5.) IN THE EVENT NOTIFY THE DESK WITH THE WORK IN
- 6.) REFER TO CIVIL MECHANICAL, PLUM ELECTRICAL DRAIN
- 7.) ALL RATED VA DOORS AND ALSO
- 8.) ADEQUATE FIRE SUPPLY SHALL BE BEFORE PROCEED WITH CONSTRUCT MATERIALS.
- 9.) THE CONTRACT FOR DIMENSIONS
- 10.) ALL WOOD BL. SO THAT IT IS FIRE USED IN AREAS W IS POSSIBLE OR IN MASONRY SHALL E
- 11.) VERIFY ALL CE PLACEMENT WITH:

SUPPLEMENTAL #1

May 25, 2017

2:41 pm



May 25, 2017**2:41 pm****EXHIBIT C****FORM OF COMMENCEMENT DATE MEMORANDUM**

With respect to that certain lease ("Lease") dated _____, between _____ ("Landlord") and _____ ("Tenant"), whereby Landlord leased to Tenant and Tenant leased from Landlord space located at _____ (the "Premises"). Tenant and Landlord hereby acknowledge as follows:

- (1) Landlord delivered possession of the Premises to Tenant on _____ (the "Possession Date").
- (2) The Term of the Lease commenced on _____ (the "Commencement Date").
- (3) The Expiration Date of the Lease is _____.
- (4) It is agreed that the first Lease Year shall end on _____ and that each subsequent Lease Year shall end on _____.
- (5) Tenant shall commence payment of Base Rent and Additional Rent on _____.
- (6) The Premises contain _____ rentable square feet of space.
- (7) The last dates upon which the respective renewal options may be exercised are _____, _____, _____, and _____.

All capitalized terms herein, not otherwise defined herein, shall have the meaning assigned in the Lease.

IN WITNESS WHEREOF, this Commencement Date Memorandum is executed the date(s) set forth below.

LANDLORD:

TENANT:

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

May 25, 2017**2:41 pm****EXHIBIT D****FORM OF SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") is entered into as of _____, 2017 (the "Effective Date"), between _____ (the "Mortgagee"), and _____ (the "Tenant").

WHEREAS, by Lease dated _____, 20__ (hereinafter called the "Lease"), _____ (hereinafter called "Landlord") has leased to Tenant and Tenant has rented from Landlord the approximately _____ rentable square feet of leased premises ("Tenant's Premises") located within the _____ as more fully described in Exhibit A attached hereto and incorporated by reference (such real property, including all buildings, improvements, structures and fixtures located thereon, "Landlord's Premises").

WHEREAS, Mortgagee has made a loan to Landlord in the original principal amount of \$ _____ (the "Loan"); and

WHEREAS, To secure the Loan, Landlord has encumbered Landlord's Premises by entering into that certain [Mortgage and Security Agreement] dated _____, in favor of Mortgagee (as amended, increased, renewed, extended, spread, consolidated, severed, restated or otherwise changed from time to time, the "Mortgage") recorded on _____, under Clerk's File No. _____, in the Official Public Records of Real Property of the County of _____, State of _____.

WHEREAS, Tenant desires that Mortgagee recognize Tenant's rights under the Lease in the event of foreclosure of Mortgagee's lien, and Tenant is willing to agree to attorn to the purchaser at such foreclosure if Mortgagee will recognize Tenant's right of possession under the Lease.

NOW, THEREFORE, for and in consideration of their respective covenants herein made and the receipt of other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. Definitions.

The following terms shall have the following meanings for purposes of this Agreement.

1.1 Foreclosure Event. A "Foreclosure Event" means: (a) foreclosure under the Mortgage; (b) any other exercise by Mortgagee of rights and remedies (whether under the Mortgage or under applicable Law, including bankruptcy Law) as holder of the Loan and/or the Mortgage, as a result of which Successor Landlord becomes owner of Landlord's Premises; or

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(c) delivery by Landlord to Mortgagee (or its designee or nominee) of a deed or other conveyance of Landlord's interest in Landlord's Premises in lieu of any of the foregoing.

1.2 *Former Landlord.* A "Former Landlord" means Landlord and any other party that was a landlord under the Lease at any time before the occurrence of any attornment under this Agreement.

1.3 *Offset Right.* An "Offset Right" means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction or abatement against Tenant's payment of Rent or performance of Tenant's other obligations under the Lease, arising (whether under the Lease or other applicable law) from Landlord's breach or default under the Lease.

1.4. *Rent.* The "Rent" means any fixed rent, base rent or additional rent under the Lease.

1.5 *Successor Landlord.* A "Successor Landlord" means any party that becomes owner of Landlord's Premises as the result of a Foreclosure Event.

1.6 *Termination Right.* A "Termination Right" means any right of Tenant to cancel or terminate the Lease or to claim a partial or total eviction arising (whether under the Lease or under applicable law) from Landlord's breach or default under the Lease.

2. Subordination.

The Lease shall be, and shall, at all times, remain subject and subordinate to the lien of the Mortgage, and all advances made under the Mortgage.

3. Non-disturbance, Recognition and Attornment.

3.1 *No Exercise of Mortgage Remedies Against Tenant.* So long as the Lease has not been terminated on account of Tenant's default (an "Event of Default"), Mortgagee shall not name or join Tenant as a defendant in any exercise of Mortgagee's rights and remedies arising upon a default under the Mortgage unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Mortgagee may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action. If Mortgagee joins Tenant in such action, Landlord, by executing the Consent hereinafter set forth, agrees to indemnify, defend and hold Tenant harmless from and against any loss, cost or expense incurred or suffered by Tenant, including without limitation, legal fees, in being a party to or arising from such action, which indemnity shall survive termination or expiration of this Agreement.

3.2 *Non-disturbance and Attornment.* If the Lease has not been terminated on account of an Event of Default by Tenant, then, when Successor Landlord takes title to

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Landlord's Premises: (a) Successor Landlord shall not terminate or disturb Tenant's possession or quiet enjoyment of Tenant's Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (b) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (c) Tenant shall recognize and attorn to Successor Landlord as Tenant's direct landlord under the Lease as affected by this Agreement; and (d) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant.

3.3 *Further Documentation.* The provisions of Section 3 shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of Section 3 in writing upon request by either of them.

3.4 *Consent to Lease.* Mortgagee hereby consents to the Lease and all the terms and conditions thereof.

4. Protection of Successor Landlord.

Notwithstanding anything to the contrary in the Lease or the Mortgage, Successor Landlord shall not be liable for or bound by any of the following matters:

4.1 *Claims Against Former Landlord.* Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment unless and to the extent that Mortgagee was furnished notice and opportunity to cure the same. (The foregoing shall not limit Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment, if any).

4.2 *Prepayments.* Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.

4.3 *Payment; Security Deposit.* Any obligation: (a) to pay Tenant any sum(s) that any Former Landlord owed to Tenant or (b) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Mortgagee.

4.4 *Lease.* Tenant hereby covenants and agrees that, so long as the Mortgage remains in force and effect:

- (a) No Modification, Termination or Cancellation. Tenant shall not consent to any material modification, termination or cancellation of the Lease without Mortgagee's prior written consent, which consent shall not be unreasonably withheld and shall be

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deemed given if Mortgagee fails to respond in writing within 15 days following receipt of written notice.

- (b) Notice of Default. Tenant shall notify Mortgagee in writing concurrently with any notice given to Landlord of any breach of or default by Landlord under the Lease. Tenant agrees that Mortgagee shall have the right (but not the obligation) to cure any breach or default specified in such notice within the time period set forth in the Lease for Landlord's performance.
- (c) Assignment of Rents. Upon receipt by Tenant of written notice from Mortgagee that Mortgagee has elected to terminate the license granted to Landlord to collect rents, as provided in the Mortgage, and directing Tenant to make payment thereof to Mortgagee, Tenant shall not be required to determine whether Landlord is in default under any obligations to Mortgagee before complying with such direction and shall not be liable to Landlord for failure to pay Landlord any sums that are paid instead to Mortgagee.

5. Miscellaneous.

5.1 *Notices.* All notices or other communications required or permitted under this Agreement shall be in writing and given by certified mail (return receipt requested) or by nationally recognized overnight courier service that regularly maintains records of items delivered. Notices shall be effective the next business day after being sent by overnight courier service, and three (3) business days after being sent by certified mail (return receipt requested). Unless and until notice of a change of address is given under this Agreement, notices or other communications shall be given to Mortgagee and Tenant, respectively, at the following address:

Mortgagee:

Attn: _____

Landlord:

Attn: _____

Tenant:

5.2 *Successors and Assigns.* This Agreement shall bind and benefit the parties their successors and assigns, any Successor Landlord, and its successors and assigns.

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5.3 *Entire Agreement.* This Agreement constitutes the entire agreement between Mortgagee and Tenant regarding the subordination of the Lease to the Mortgage and the rights and obligations of Tenant and Mortgagee as to the subject matter of this Agreement.

5.4 *Interaction with Lease and with Mortgage.* If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties to this Agreement and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of non-disturbance agreements by the holder of the Mortgage. Mortgagee confirms that Mortgagee has consented to Landlord's entering into the Lease.

5.5 *Interpretation; Governing Law.* The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the State where the Premises is located, including its principles of conflict of laws.

5.6 *Amendments.* This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by all parties to this Agreement.

5.7 *Execution.* This Agreement may be executed electronically and in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

5.8 *Representations.* Each party represents that it has full authority to enter into this Agreement and that those signatories executing this Agreement on its behalf have full power and authority to executed this Agreement. Mortgagee agrees to keep a copy of this Agreement in its permanent mortgage records with respect to the Loan. This Agreement shall be null and void unless Tenant receives a fully executed original counterpart hereof on or before the sixtieth (60th) day following the date of Tenant's execution.

5.9 *Recordation.* Upon full execution, this Agreement may be recorded in the real property records of the county in which the Premises is located by either party hereto, provided that the recording party delivers to the other party a copy of the recorded document. The recording party shall be responsible for the costs of recording this Agreement.

[Signature page follows.]

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IN WITNESS WHEREOF, this Agreement has been duly executed by Mortgagee and Tenant as of the date(s) set forth below.

MORTGAGEE:

a _____

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)
) SS
COUNTY OF _____)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ the _____ of _____, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

Cookeville, TN (11449)

2:41 pm

a _____

Title: _____

STATE OF _____)
) SS
COUNTY OF _____)

Given under my hand and notarial seal this _____ day of _____, 20__.

My Commission Expires: _____

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Exhibit A to
Subordination, Attornment and Non-Disturbance Agreement

Landlord's Premises

Cookeville, TN (11449)

May 25, 2017**2:41 pm****EXHIBIT E****FORM OF ESTOPPEL CERTIFICATE**

THIS ESTOPPEL CERTIFICATE is made as of the ____ day of ____, 20__ by ____ in connection with that certain Lease Agreement dated ____ by and between ____, as Tenant and ____, as Landlord (the "Lease") for the premises located at ____ (the "Premises").

[Landlord/Tenant] hereby certifies to the best of [Landlord's/Tenant's] knowledge to ____ as follows:

1. The Lease consists of the following documents: [list documents]. There are no other oral or written agreements or understandings between Landlord and Tenant relating to the Premises.
2. To [Landlord's/Tenant's] knowledge and belief, the information set forth below is true and correct as of the date hereof:
 - (a) Approximate square footage of the Premises: ____ rentable square feet
 - (b) Monthly installment of Rent as of the date hereof: \$ ____
 - (c) Commencement Date: ____
 - (d) Termination date: ____
 - (e) Security deposit: ____
 - (f) Prepaid rent in the amount of: ____
 - (g) Renewal Options: ____
3. Tenant has accepted possession of the Premises and is in occupancy thereof under the Lease. As of the date hereof, the Lease is in full force and effect.
4. To the best of Tenant's/Landlord's actual knowledge and belief, without inquiry or investigation, there exists no default, no facts or circumstances exist that, with the passage of time or giving of notice, will or could constitute a default, event of default, or breach on the part of either Tenant or Landlord except ____.
5. No rent has been or will be paid more than 30 days in advance.
6. All legal notices to Tenant shall be sent to:

Tenant: _____

c/o _____

With a copy to:

[Signature page follows.]

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IN WITNESS WHEREOF, [Tenant/Landlord] has executed this Estoppel Certificate as of the date first above written.

[TENANT/LANDLORD]:

_____,
a _____

By: _____

Name: _____

Title: _____

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EXHIBIT F

INTENTIONALLY OMITTED

May 25, 2017**2:41 pm****EXHIBIT G****FORM MEMORANDUM OF LEASE**

Prepared by and Return to:

Parcel ID:

MEMORANDUM OF LEASE

This Memorandum of Lease (this "Memorandum") is made and entered into this ____ day of _____, 2017, by and between _____, a _____ ("Landlord") and _____, a _____ ("Tenant"). Tenant and Landlord agree to and acknowledge the following matters:

1. Landlord and Tenant entered into that certain Lease Agreement dated as of _____, 20____ (the "Lease"), wherein Landlord has leased to Tenant, and Tenant has leased from Landlord, subject to the terms, covenants and conditions contained therein, space consisting of approximately _____ rentable square feet (the "Premises"), located at _____, as legally described on Exhibit A, attached and incorporated herein by reference (the "Property").

2. The term of the Lease is for an initial period of 120 months commencing upon the earlier of the Possession Date or the Commencement Date, as defined in the Lease, (the "Lease Term"), subject to a right to extend and renew the Lease for 1 successive additional period of 60 months.

3. Omitted.

4. Omitted.

5. The address of Landlord is _____.

6. The address of Tenant is 1125 Perimeter Park Drive, Cookeville, Tennessee, Suite 100.

7. The purpose of this Memorandum is to give record notice to all persons that Tenant has a leasehold interest in the Premises with related use exclusivity rights, and right of

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first option pursuant to the Lease, in addition to other rights and obligations created therein, all of which are confirmed.

8. Any capitalized terms utilized herein that are not otherwise defined shall be deemed to have the same meaning as set forth in the Lease.

9. In the event of a conflict between the terms of the Lease and the terms of this Memorandum, the terms of the Lease shall control.

10. This Memorandum may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum as of the day and year first above written.

LANDLORD**TENANT**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF _____)
_____)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by _____, the _____ of _____, a _____ on behalf of the _____.

My commission expires: _____

Notary Public

STATE OF _____)
_____)ss.

Cookeville, TN (11449)

SUPPLEMENTAL #1

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COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by _____, the _____ of _____, a _____ on behalf of the _____.

My commission expires: _____

Notary Public

Cookeville, TN (11449)

AAHC Survey Report
2015 AAAHC Survey Report



Clearer Vision, LLC
DBA: Perimeter Surgery Center
Organization ID: 87266

Cookeville, Tennessee
November 03, 2015 to November 04, 2015

MAY 25 '17 PM 2:44

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Information Regarding the AAAHC Survey Report

This *Survey Report* is used in conjunction with the *2015 Accreditation Handbook for Ambulatory Health Care*. This Survey Report reflects an evaluation of the organization's compliance with the standards as stated in the *Handbook*.

Evaluation of the Standards

- SC -- **Substantial Compliance** indicates that the organization's current operations are acceptable and meet the standards. May require supporting comments to clarify or elaborate.
- PC -- **Partial Compliance** indicates that a portion of the item is acceptable, but other areas need to be addressed. Requires supporting comments.
- NC -- **Non-Compliance** indicates that the organization's current operations do not meet the standards. Requires supporting comments.
- N/A -- **Not Applicable** indicates that the standard does not apply to the organization.

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5250 Old Orchard Road, Suite 200
Skokie, IL 60077

Internet: www.aaahc.org
E-Mail: info@aaahc.org

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References are made throughout this *Survey Report* to the *Life Safety Code®* and to NFPA 101®. Both are registered trademarks of the National Fire Protection Association, Quincy, Massachusetts.

The pronouns used in the Survey Report were chosen for the ease of reading. They are not intended to exclude reference to either gender.

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Previous Deficiencies

Chapter	Standard	Previous Compliance Level	Previous Comment	Current Compliance Level	Current Comment	Deficiency Comment
2 - Governance II	II. Credentialing and Privileging	PC	The credentialing and privileging for the organization's providers does not meet all the required elements.	SC		
2 - Governance II	B	PC	The bylaws detail the credentialing and privileging process which meets the AAAHC standards; however, the policy is not followed.	SC		
2 - Governance II	B-3	PC	All providers have completed applications; however, other requirements are lacking as cited below.	SC	The following elements are included with the application.	
2 - Governance II	B-3a	PC	Two of the four CRNAs did not have primary source verification for education and training.	SC	AMA and AANA primary source verification of education was present in the reviewed files.	
2 - Governance II	B-3e	PC	Two of the CRNAs did not have proof of current insurance coverage in their file. The administrator was able to call and have those faxed during the survey.	SC	All providers had evidence of current malpractice in the amount of \$1 million/\$3 million.	
2 - Governance II	B-3f	NC	None of the 6 providers had NPDB reports for their most recent credentialing.	SC	NPDB queries were present in all reviewed records.	
2 - Governance II	B-3g	PC	The application has a section which queries all the following information; however, there is no search conducted or reports regarding Medicare sanctions via the AMA or the OIG for physicians or CRNAs.	SC	Attestations were present at the end of the applications. They contain the following elements.	
2 - Governance II	B-3g-ii	NC	This was not verified.	SC		
2 - Governance II	B-3g-iii	NC	This was not verified.	SC		

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2 - Governance II	B-3g-vii	NC	This was not verified.	SC	OIG queries were present in all reviewed files.	
2 - Governance II	B-4	PC	The physicians had primary source verification via the AMA Physician Profile for their initial credentialing. The four CRNAs did not have primary source verification.	SC		
2 - Governance II	B-6	NC	There was no ongoing monitoring of licenses, malpractice insurance or ACLS certification.	SC		
2 - Governance II	E	PC	The center's membership with the NPDB had expired.			
2 - Governance II	G	PC	The center has a process for the appointment of CRNAs; however, the center was not not following their process completely.	SC	The process for admitting CRNAs to the medical staff is similar to the physician process.	
3 - Administration	B	PC	Personnel policies are lacking some of the elements of this standard. See Standards 3.B-3a, 3.B-4 and 3.B-7.	SC		
3 - Administration	B-3a	PC	Two of the six employees did not have documentation of orientation.	SC		
3 - Administration	B-4	NC	None of the six personnel files had evidence of job evaluations. This was also deficient during the previous survey.	SC	Performance appraisals were present in all reviewed files.	
3 - Administration	B-7	PC	This is included in orientation; however, all staff do not have job descriptions.	SC		
4 - Quality of Care	D	PC	The peer review process is lacking, as described in Chapter 5.1.	SC		
5 - Peer Review I	I. Peer Review	PC	Peer review is only conducted every three years and only 25 charts per each physician are reviewed. The center conducts 1600 cases per year. This small amount of peer	SC		

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				review is not statistically meaningful. This was clearly stated as a deficiency at the previous survey.					
5 - Peer Review I	E	PC		Peer review is only conducted every three years, rather than ongoing. This was deficient at the last survey as well.	SC				
5 - Peer Review I	G	PC		Peer review is used for re-credentialing, however, there is no documentation as to this actually being done.	SC				
5 - Peer Review I	I	NC		Licenses, certifications, and insurance were not being monitored except at re-credentialing. Several files had expired certifications in their credentialing files. The nurse manager was able to contact sources and have the current documents faxed. The nurse manager will now have a spreadsheet with expiration dates for all physicians and CRNAs.					
6 - Clinical Records	K	PC		Allergies are consistently recorded as well as absence of allergies; however, the untoward reaction to the drug is not being recorded.	SC			Allergies and reactions were consistently documented. There facility policy is for documentation in three locations. This was previously problematic and with the help of a QI study has shown big improvement.	
8 - Facilities	B-5	PC		The waiting room is small and does not accommodate the current patient and visitor population. Patients and families sometimes must wait in their cars.	SC				
8 - Facilities	P	PC		Documentation was present for inspection of the phaco machine by Infiniti Visions on October 11, 2012; however, none of the other medical equipment, including the cardiac	SC			Preventive maintenance is performed on schedule by a contracted biomedical service.	

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				monitors and sterilization equipment, have been inspected in three years. All stickers and the last report were dated 2009. The nurse manager immediately called and scheduled the biomedical engineer.					
9 - Anesthesia Svcs	E	PC		There is one consent form used for the surgery and does include language about anesthesia; however, the type of anesthesia is not stated nor does the form indicate who will be administering the anesthesia.	SC		The consent contains information that sedation will be provided by a CRNA.		
9 - Anesthesia Svcs	P	PC		Cardiac monitors had stickers with a date of 2009. There was a report present from the biomedical engineer dated 2010 but did not list which pieces of equipment had been inspected.	SC		Safe injection practices were observed.		
10 - Surg Gen Svcs I	N	PC		See comment at Standard 10.I.N-9.	SC				
10 - Surg Gen Svcs I	N-9	NC		This is not the center's policy. See comment at Standard 10.I.N-2.	SC		Scrub clothes are donned on-site.		
10 - Surg Gen Svcs I	S	PC		The phaco machine has had a biomedical inspection this year but none of the other equipment has been inspected since 2010.	SC				
10 - Surg Gen Svcs I	U	PC		The RN or the CRNA marks the site while the patient is in pre-op and the patient is involved in the process. The surgeon does not mark the site but does confirm the site with the patient in the OR.	SC		The surgeon marks the site in pre-op with confirmation by the patient.		
10 - Surg Laser Svcs II	B	PC		See comment at Standard 10.II.B-9.	PC		Please see comments below.		
10 - Surg Laser Svcs II	B-9	NC		The laser has not been inspected in several years.	SC				

May 25, 2017**2:41 pm****Satellite Facilities Overview**

Standard		Compliance Rating	Comments
1	Does the organization have more than one facility?	No	
2	If the organization has more than one facility, list those that are to be included in the accreditation.		
3	List the names and addresses of the satellite location that were reviewed.		
4	Provide a brief description of the satellite locations reviewed during the survey, including information on the quality of care rendered, clinical records, and facilities and environment. If applicable, also include information on pharmaceutical services, pathology and medical laboratory services, diagnostic and therapeutic imaging, occupational health services, surgical services, and anesthesia services.		

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Chapter 1 - Patient Rights and Responsibilities

Standard		Compliance Rating	Comments
	An accredited organization recognizes the basic human rights of patients. Such an organization has the following characteristics.		
	Overall Chapter Compliance Level	SC	
A	Patients are treated with respect, consideration, and dignity.	SC	Patients were observed being treated with kindness and respect.
B	Patients are provided appropriate privacy.	SC	Curtains are closed. Background music is playing to enhance privacy. Patient names are covered in public areas.
C	When the need arises, reasonable attempts are made for health care professionals and other staff to communicate in the language or manner primarily used by patients.	SC	
D	Patients are provided, to the degree known, information concerning their diagnosis, evaluation, treatment, and prognosis. When it is medically inadvisable to give such information to a patient, the information is provided to a person designated by the patient or to a legally authorized person.	SC	
E	Patients are given the opportunity to participate in decisions involving their health care, except when such participation is contraindicated for medical reasons.	SC	
F	Information is available to patients and staff concerning:	SC	Patients are given pamphlets with the following information included.
F.1	Patient rights, including those specified in A, B, C, D, and E above.	SC	Patient rights are posted in the waiting room.
F.2	Patient conduct, responsibilities, and participation.	SC	
F.3	Services available at the organization.	SC	
F.4	Provisions for after-hours and emergency care.	SC	After-hours information is available in written discharge instructions. An after-hours call placed to the ASC gave further information and phone numbers for the individual physicians.
F.5	Fees for services.	SC	
F.6	Payment policies.	SC	
F.7	Patient's right to refuse to participate in research.	NA	

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F.8	Advance directives, as required by state or federal law and regulations.	SC	Patients are informed in writing that advance directives are suspended while at the ASC. Information is available for patients who request additional data on obtaining advance directives.
F.9	The credentials of health care professionals.	SC	
F.10	The absence of malpractice coverage, if applicable.	NA	
F.11	How to voice grievances regarding treatment or care that is (or fails to be) furnished.	SC	
F.12	Methods for providing feedback, including complaints.	SC	This information is posted in the waiting room. All patients are given patient satisfaction surveys to complete.
G	Prior to receiving care, patients are informed of patient responsibilities. These responsibilities require the patient to:	SC	
G.1	Provide complete and accurate information to the best of his/her ability about his/her health, any medications, including over-the-counter products and dietary supplements, and any allergies or sensitivities.	SC	
G.2	Follow the treatment plan prescribed by his/her provider and participate in his/her care.	SC	
G.3	Provide a responsible adult to transport him/her home from the facility and remain with him/her for 24 hours, if required by his/her provider.	SC	A responsible adult caregiver is required for patients who receive sedation. This is confirmed upon admission. The caregiver must sign a statement that they will remain on-site during the procedure.
G.4	Accept personal financial responsibility for any charges not covered by his/her insurance.	SC	
G.5	Be respectful of all the health care professionals and staff, as well as other patients.	SC	
H	Patients are informed of their right to change providers if other qualified providers are available.	SC	
	Consultative Comments		<u>Consultative Comments</u>

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Chapter 2 - Governance - General Requirements I

Standard		Compliance Rating	Comments
	An accreditable organization has a governing body that sets policy and is responsible for the organization. Such an organization has the following characteristics.		
	Overall Chapter Compliance Level	SC	
	Subchapter I - General Requirements: This subchapter describes general requirements for an organization and its governing body.	SC	
A	The organization is a legally constituted entity, or an organized sub-unit of a legally constituted entity, or is a sole proprietorship in the state(s) in which it is located and provides services.	SC	Clearer Vision, LLC was formed and registered with the Secretary of State for Tennessee on March 8, 1999. Articles of Amendment have been filed with changes in ownership. The Operating Agreement was reviewed.
A.1	The legally constituted entity is documented by at least one of the following: articles of organization, articles of incorporation, partnership agreement, operating agreement, legislative or executive act, or bylaws, unless the organization is a sole proprietorship.	SC	
B	The names and addresses of all owners or controlling parties (whether individuals, partnerships, trusts, corporate bodies, or subdivisions of other bodies, such as public agencies or religious, fraternal, or other philanthropic organizations) are available upon request and furnished to AAAHC.	SC	There are three physician owners. Two are surgeons who practice at the ASC.
C	The governing body addresses and is fully and legally responsible, either directly or by appropriate professional delegation,* for the operation and performance of the organization. Governing body responsibilities include, but are not limited to:	SC	The governing body is responsible for the overall management and daily operation of the ASC.
C.1	Determining the mission, goals, and objectives of the organization.	SC	The mission and values have been determined.
C.2	Ensuring that facilities and personnel are adequate and appropriate to carry out the mission.	SC	
C.3	Establishing an organizational structure and specifying functional relationships among the various components of the organization.	SC	
C.4	Adopting bylaws or similar rules and regulations for the orderly development and management of the organization.	SC	Medical staff bylaws have been developed and approved by the governing body.
C.5	Adopting policies and procedures necessary for the orderly conduct of the organization, including the organization's scope of clinical activities.	SC	A comprehensive set of policies has been developed to guide all aspects of care.

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C.6	Developing and maintaining a written policy regarding the care of pediatric patients, if relevant. Specific components of perioperative care are listed in Standard 10.1.AA.	SC	The minimum age for treatment is 18 years of age.
C.7	Ensuring that the quality of care is evaluated and that identified problems are appropriately addressed.	SC	The quality of care is continuously assessed.
C.8	Reviewing all legal and ethical matters concerning the organization and its staff and, when necessary, responding appropriately.	SC	
C.9	Maintaining effective communication throughout the organization, including ensuring links between quality management and improvement activities and other management functions of the organization.	SC	Communication is excellent in this facility.
C.10	Establishing a system of financial management and accountability appropriate to the organization.	SC	
C.11	Determining a policy on the rights and responsibilities of patients.	SC	
C.12	Approving and ensuring compliance of all major contracts or arrangements affecting the medical and dental care provided under its auspices and ensuring that services are provided in a safe and effective manner, including, but not limited to, those concerning:	SC	Service contracts are in place. They are approved annually.
C.12.a	The employment or contracting of health care professionals.	SC	
C.12.b	The provision of external services for radiology, pathology, medical laboratory, and housekeeping services.	SC	There is a contract in place for these services.
C.12.c	The provision of care by other health care organizations, such as hospitals.	SC	
C.12.d	The provision of education to students and postgraduate trainees.	NA	
C.12.e	The provision of after-hours patient information or telephone triage services, including the review of protocols.	SC	
C.12.f	The Centers for Medicare & Medicaid Services (CMS) requirements, if the organization participates in the Medicare/Medicaid program.	PC	Please see CMS deficiencies in this report.
C.12.g	The activities or services delegated to another entity.	SC	
C.13	Formulating long-range plans in accordance with the mission, goals, and objectives of the organization.	SC	
C.14	Fulfilling all applicable obligations under local, state, and federal laws and regulations, such as those addressing disabilities, medical privacy, grievances, fraud and abuse, self-referral, anti-trust, and reporting to the National	SC	

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	Practitioner Data Bank (NPDB) ¹ , etc.		
C.15	Ensuring that none of the marketing and advertising regarding the competence and capabilities of the organization is misleading.	SC	Marketing is limited to pamphlets provided to patients.
C.16	The governing body is responsible for the development and oversight of a risk management program.	SC	The risk management program is incorporated into the quality improvement program.
C.17	Determining a policy on continuing education for personnel and/or patient education, if applicable.	SC	
C.18	Development, implementation, and oversight of the organization's infection control and safety programs to ensure a safe environment of care.	SC	
D	Accredited organizations must notify AAAHC in writing within 15 calendar days of significant organizational, ownership, operational, or quality of care events, including criminal indictment, guilty plea or verdict in a criminal proceeding (other than a traffic violation) directly or indirectly involving the organization or any of its officers, administrators, physicians/health care professionals, or staff within their role in the organization. Any such change/event that negatively affects public perception of the accredited organization or AAAHC, as the accrediting body, must also be reported. An organization's duty to provide this information continues during the entire accreditation term.	SC	This standard was reviewed.
E	Representation of accreditation to the public must accurately reflect the AAAHC-accredited entity.	SC	A current AAAHC Certificate of Accreditation was posted at the reception area.
F	The governing body meets at least annually, or more frequently as determined by the governing body, and keeps such minutes or other records as may be necessary for the orderly conduct of the organization.	SC	The governing body meets quarterly. Detailed meeting minutes are recorded. All required items are included at least annually.
G	Items to be reviewed at least annually by the governing body should include, but are not limited to:	SC	
G.1	Rights of patients.	SC	
G.2	Delegated administrative responsibilities.	SC	
G.3	Quality of care.	SC	
G.4	The quality management and improvement program.	SC	
G.5	The organization's policies and procedures.	SC	
G.6	The appointment/reappointment process.	SC	
G.7	The infection control program.	SC	

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G.8	The safety program.	SC	
G.9	Compliance with all other applicable Standards.	SC	
H	If the governing body elects, appoints, or employs officers and administrators to carry out its directives, the authority, responsibility, and functions of all such positions are defined.	SC	
	Consultative Comments		<u>Consultative Comments</u>
	*For information on the National Practitioner Data Bank, see http://www.npdb-hipdb.hrsa.gov .		

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Chapter 2 - Governance - Credentialing and Privileging II

Standard		Compliance Rating	Comments
	Credentialing is a three-phase process of assessing and validating the qualifications of an individual to provide services. The objective of credentialing is to establish that the applicant has the specialized professional background that he or she claims and that the position requires. An accredited organization: 1) establishes minimum training, experience, and other requirements (i.e., credentials) for physicians and other health care professionals; 2) establishes a process to review, assess, and validate an individual's qualifications, including education, training, experience, certification, licensure, and any other competence-enhancing activities against the organization's established minimum requirements; and 3) carries out the review, assessment, and validation as outlined in the organization's description of the process.		
	Subchapter II - Credentialing and Privileging: This subchapter describes the requirements for credentialing and privileging of health care professionals to provide patient care in an accredited organization. Organizations may find the Worksheets and Forms located in the back of this Handbook helpful in creating medical staff applications and in measuring compliance with credentials verification processes.	SC	
	Number of credential files reviewed during the survey:	5	Three surgeons and two nurse anesthetists were reviewed.
	Description of how records were selected:		
A	The medical staff must be accountable to the governing body. The governing body establishes and is responsible for a credentialing and reappointment process, applying criteria in a uniform manner to appoint individuals to provide patient care for the organization. The governing body approves mechanisms for credentialing, reappointment, the granting of privileges, and suspending or terminating clinical privileges, including provisions for appeal of such decisions.	SC	There is a well-developed credentialing process in place. The first term of appointment is one year. Reappointment terms are three years. Medical staff bylaws contain a process for terminating privileges.
B	The governing body, either directly or by delegation, makes (in a manner consistent with state law) initial appointment, reappointment, and assignment or curtailment of clinical privileges of medical staff members based on professional peer evaluation. At a minimum, this process has the following characteristics:	SC	
B.1	The governing body has specific criteria for the initial appointment and reappointment of physicians and dentists.	SC	
B.2	Provisions are made for the expeditious processing of applications for clinical privileges.	SC	

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B.3	On a formal application for initial medical or dental staff privileges, the applicant is required to provide sufficient evidence of training, experience, and current documented competence in performance of the procedures for which privileges are requested. At a minimum, the following credentialing and privileging information shall be provided or obtained for evaluation of the candidate:	SC	The following elements are included with the application.
B.3.a	Education, training, and experience: Relevant education and training are verified at the time of appointment and initial granting of clinical privileges; the applicant's experience is reviewed for continuity, relevance, and documentation of any interruptions in that experience.	SC	AMA and AANA primary source verification of education was present in the reviewed files.
B.3.b	Peer evaluation: Current competence is verified and documented.	SC	
B.3.c	Current state license: Current licensure is verified and documented at the time of appointment.	SC	All licenses were electronically verified.
B.3.d	Drug Enforcement Administration (DEA) registration, if applicable.	SC	Current, verified DEA certificates were present for the physicians.
B.3.e	Proof of current medical liability coverage meeting governing body requirements, if any.	SC	All providers had evidence of current malpractice in the amount of \$1 million/\$3 million.
B.3.f	Information obtained from the National Practitioner Data Bank (NPDB) (Note: NPDB Continuous Query is an acceptable service for meeting this requirement (see Resources)).	SC	NPDB queries were present in all reviewed records.
B.3.g	Written attestation from the applicant addressing other pertinent information including, at a minimum:	SC	Attestations were present at the end of the applications. They contain the following elements.
B.3.g.i	Professional liability claims history.	SC	
B.3.g.ii	Information on licensure revocation, suspension, voluntary relinquishment, licensure probationary status, or other licensure conditions or limitations.	SC	
B.3.g.iii	Complaints or adverse action reports filed against the applicant with a local, state, or national professional society or licensure board.	SC	
B.3.g.iv	Refusal or cancellation of professional liability coverage.	SC	
B.3.g.v	Denial, suspension, limitation, termination, or nonrenewal of professional privileges at any hospital, health plan, medical group, or other health care entity.	SC	
B.3.g.vi	DEA and state license action.	SC	
B.3.g.vii	Disclosure of any Medicare/Medicaid sanctions.	SC	OIG queries were present in all reviewed files.
B.3.g.viii	Conviction of a criminal offense (other than minor traffic violations).	SC	

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B.3.g.ix	Current physical, mental health, or chemical dependency problems that would interfere with an applicant's ability to provide high-quality patient care and professional services.	SC	
B.3.h	The initial staff appointment application is signed and dated, includes a formal statement releasing the organization from any liability in connection with credentialing decisions, and includes the applicant's attestation to the accuracy and completeness of the application and the information provided.	SC	
B.4	Upon receipt of a completed and signed initial application, the credentials are verified according to procedures established in the organization's bylaws, rules and regulations, or policies. The organization has established procedures to obtain information necessary for primary or secondary source verification of the credentials and is responsible for obtaining and reviewing this information. An accredited organization may use information provided by a Credentials Verification Organization (CVO) after proper assessment of the capability and quality of the CVO. Alternatively, a CVO may demonstrate such capability and quality by becoming accredited or certified by a nationally recognized accreditation organization. Primary or acceptable secondary source verification is required for items listed in 2.II.B.3.a-f, unless a CVO or an organization performing primary source verification that is accredited or certified by a nationally recognized body is used. If the organization utilizes a CVO or another organization to verify credentials, those entities must perform primary source verification unless such sources do not exist or are impossible to verify.	SC	
B.5	Members of the medical or dental staff must apply for reappointment every three years, or more frequently if state law or organizational policies so stipulate. At reappointment, the organization requires:	SC	
B.5.a	Completion of a formal reappointment application which includes, at a minimum:	SC	
B.5.a.i	Updated personal information.	SC	
B.5.a.ii	Completed attestation questions found in 2.II.B.3g.	SC	
B.5.a.iii	A formal statement releasing the organization from any liability in connection with credentialing decisions.	SC	
B.5.a.iv	A formal statement confirming the information submitted is accurate and complete.	SC	
B.5.a.v	Applicant signature and date.	SC	
B.5.b	Upon receipt of a completed reappointment application, the organization will primary source verify items listed in Standards 2.II.B.3c-f. At the time of reappointment consideration by the governing body, the entire reappointment application and peer review results and activities, completed in accordance with	SC	

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	Chapter 2.III, will be considered.		
B.6	The organization shall monitor and document the currency of date-sensitive information such as licensure, professional liability insurance (if required), certifications, DEA registrations, and other such items, where applicable, on an ongoing basis (at expiration, appointment, and re-appointment, at minimum.	SC	
B.7	In a solo medical or dental practice, the provider's credentials file shall be reviewed by an outside physician (for a medical practice) or an outside dentist (for a dental practice) at least every three years, or more frequently, if state law or organizational policies so stipulate, to ensure currency, accuracy, and completeness of credentials. The provider is required to complete an application or reapplication, and the documentation identified in Standard 2.II.B.3 must be present in the credentials file, including a list of procedures that will be performed by the provider in the organization/practice setting and evidence of appropriate education, training, and experience to perform the privileged procedures. Applications are available for other providers requesting credentialing and privileges to perform procedures in the solo provider's organization, including any anesthesia providers. In a solo provider's practice, the granting of privileges shall be reviewed by an outside physician (for medical practices) or dentist (for dental practices) with documentation provided to the organization.	NA	
	Privileging is a three-phase process. The objective of privileging is to determine the specific procedures and treatments that a health care professional may perform. An accreditable organization: 1) determines the clinical procedures and treatments that are offered to patients; 2) determines the qualifications related to training and experience that are required to authorize an applicant to obtain each privilege; and 3) establishes a process for evaluating the applicant's qualifications using appropriate criteria and approving, modifying, or denying any or all of the requested privileges in a non-arbitrary manner.		
C	The scope of procedures must be periodically reviewed by the governing body and amended as appropriate.	SC	The scope of services is reviewed annually.
D	Privileges to carry out specified procedures are granted by the organization to the health care professional to practice for a specified period of time. The health care professional must be legally and professionally qualified for the privileges granted. These privileges are granted based on an applicant's written request for privileges, qualifications within the services provided by the organization, and recommendations from qualified medical or dental personnel.	SC	
E	The organization has its own independent process of credentialing and privileging. The approval of credentials or the granting of privileges requires review and approval by the organization's governing body. Credentials may not be approved, nor privileges granted, solely on the basis that another organization, such as a hospital, approved credentials or granted privileges, without further review. Such status at another organization may be included in the governing body's consideration of the application.	SC	The credentialing process is independent of any other entity.

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F	The governing body provides a process (in a manner consistent with state law and based on evidence of education, training, experience, and current competence) for the initial appointment, reappointment, and assignment or curtailment of privileges and practice for allied health care professionals.	SC	The process for admitting CRNAs to the medical staff is similar to the physician process.
	Consultative Comments		<u>Consultative Comments</u>
	¹ For information on the National Practitioner Data Bank, see http://www.npdb-hipdb.hrsa.gov		

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Chapter 2 - Governance - Peer Review III

Standard		Compliance Rating	Comments
	Subchapter III - Peer Review: An accreditable organization maintains an active and organized process for peer review that is integrated into the quality management and improvement program and is evidenced by the following characteristics:	SC	
A	The health care professionals understand, support, and participate in a peer review program through organized mechanisms that are consistent with the organization's policies and procedures, and are responsible to the governing body. The peer review activities are evidenced in the quality improvement program.	SC	There is an active peer review program in place. Each quarter, five charts per provider are reviewed. The surgeons and anesthesia providers are both included and different criteria is used for each specialty.
B	Each physician or dentist receives peer-based review from at least one similarly-licensed peer.	SC	The Medical Director reviews the CRNAs and the surgeons review each other.
C	In solo physician or dental organizations, an outside physician or dentist is involved to provide peer-based review.	NA	
D	In settings where no physician or dentist is a member of the provider staff, a physician or dentist is not required to be part of the peer review process. When led by an advanced practice registered nurse practicing in compliance with state law and regulation, or when led by a licensed clinical behavioral health professional in a behavioral health setting, peer review is provided by a similarly-licensed peer, or an outside physician or dentist.	NA	
E	The organization provides ongoing monitoring of important aspects of the care provided by physicians, dentists, and other health care professionals. Monitoring important aspects of care is necessary for monitoring performance and establishing internal benchmarks.	SC	Peer review is performed and reported throughout the year.
F	Health care professionals participate in the development and application of the criteria used to evaluate the care they provide.	SC	
G	Data related to established criteria are collected in an ongoing manner and periodically evaluated to identify acceptable or unacceptable trends or occurrences that affect patient outcomes.	SC	
H	The results of peer review activities are reported to the governing body.	SC	The results of peer review are reported quarterly to the governing body.
I	The results of peer review are used as part of the process for granting continuation of clinical privileges, as described in Chapter 2.II.	SC	

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J	To improve the professional competence and skill -as well as the quality of performance- of the health care professionals and other professional personnel it employs, the organization:	SC	
J.1	Provides convenient access to reliable, up-to-date information pertinent to the clinical, educational, administrative, and research services provided by the organization.	SC	
J.2	Encourages health care professionals to participate in educational programs and activities, as demonstrated in the organization's policies or procedures; these educational programs may be internal or external, and are consistent with the organization's mission, goals, and objectives.	SC	
	Consultative Comments		<u>Consultative Comments</u>

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Chapter 3 - Administration

Standard		Compliance Rating	Comments
	An accreditable organization is administered in a manner that ensures the provision of high-quality health services and that fulfills the organization's mission, goals, and objectives. Organizations may find it helpful to use the Personnel Records Worksheet, found in the Worksheets and Forms section, to evaluate compliance with some Standards found in this chapter.		
	Overall Chapter Compliance Level	SC	
	Number of personnel files reviewed during the survey:	5	
	Description of how records were selected:		Randomly selected records to review included the Clinical Director, a staff RN, a surgical technician, an LPN and the Front Desk Manager.
	An accreditable organization is administered in a manner that ensures the provision of high-quality health services and that fulfills the organization's mission, goals, and objectives. Organizations may find it helpful to use the Personnel Records Worksheet, found in the Worksheets and Forms section, to evaluate compliance with some Standards found in this chapter.		
A	Administrative policies, procedures and controls are established and implemented to ensure the orderly and efficient management of the organization. Administrative responsibilities include, but are not limited to:	SC	Administrative and personnel policies are in place to implement the mission of the organization.
A.1	Enforcing policies delegated by the governing body.	SC	
A.2	Employing qualified management personnel.	SC	
A.3	Taking all reasonable steps to comply with applicable laws and regulations.	SC	
A.4	Protecting the assets of the organization.	SC	
A.5	Implementing fiscal controls, including, but not limited to:	SC	Fiscal controls are in place for purchases and expenditures.
A.5.a	Authorization and record procedures that are adequate to provide accounting controls over assets, liabilities, revenues, and expenses.	SC	
A.5.b	Policies and procedures for controlling accounts receivable and accounts payable and for handling cash and credit arrangements.	SC	Accounts receivable and accounts payable are closely monitored.

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A.5.c	Rates and charges for services provided by the organization.	SC	
A.5.d	Methods of collection of unpaid accounts that are reviewed before referral to a collection agency.	SC	There is a process for handling delinquent accounts. Several attempts are made to set up payment plans before using a collection agency.
A.6	Using methods of communicating and reporting designed to ensure the orderly flow of information within the organization.	SC	
A.7	Controlling the purchase, maintenance, and distribution of the equipment, materials, and facilities of the organization.	SC	
A.8	Operating based on established lines of authority.	SC	
A.9	Establishing controls relating to the custody of the official documents of the organization.	SC	The Clinical Director maintains the facility's official documents.
A.10	Maintaining the confidentiality, security, and physical safety of data on patients and staff.	SC	
A.11	Maintaining a health information system that supports the collection, integration, and analysis of data and allows reporting as necessary.	SC	
A.12	Dealing with inquiries from governmental agencies, attorneys, consumer advocate groups, and the media.	SC	
B	Personnel policies are established and implemented to facilitate attainment of the mission, goals, and objectives of the organization. Personnel policies:	SC	
B.1	Define and delineate functional responsibilities and authority.	SC	Duties and responsibilities are clearly listed in job descriptions. Signed job descriptions were present in all reviewed personnel files.
B.2	Require the employment of personnel with qualifications commensurate with job responsibilities and authority, including appropriate licensure or certification.	SC	
B.3	Specify privileges and responsibilities of employment, including compliance with an incident reporting system, as described in Standard 5.11.E and F.	SC	
B.4	Reflect the requirement for documentation of initial orientation and training according to position description. Orientation and training shall be:	SC	Orientation was well-documented in all reviewed files.
B.4.a	Completed within 30 days of commencement of employment.	SC	
B.4.b	Provided annually thereafter and when there is an identified need.	SC	
B.5	Require periodic appraisal of each person's job performance, including current competence.	SC	Performance appraisals were present in all reviewed files.

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B.6	Describe incentives and rewards, if any exist.	SC	Annual bonuses are given at the end of the year.
B.7	Are made known to employees at the time of employment.	SC	
B.8	Comply with federal and state laws and regulations regarding verification of eligibility for employment, such as I-9 (Immigration and Naturalization form) and visas, as required.	SC	I-9 forms were present in all reviewed files. They are stored separate from protected health information.
C	Health care workers are protected from biologic hazards, consistent with state, federal, and CDC guidelines. The organization has:	SC	
C.1	Approved and implemented policies that comply with all applicable occupational health and safety regulations for health care workers, such as the Occupational Safety and Health Administration (OSHA) rules on Occupational Exposure to Bloodborne Pathogens (Title 29 CFR 1910.1030) designed to eliminate and/or minimize employee exposures.	SC	Safety-based policies are in place. Annual OSHA training is provided to all staff.
C.2	The organization has a written exposure control plan that is reviewed and updated at least annually, including an evaluation for the availability of safer medical devices and changes in technology.	SC	
C.3	The exposure control plan is made a part of employee initial orientation and retraining that is conducted within one year of the employee's last training.	SC	
C.4	The organization has an effective program addressing bloodborne pathogens, including:	SC	
C.4.a	Hepatitis B vaccination program.	SC	All clinical staff are offered Hepatitis B vaccination. Health records contained documentation of being vaccinated or signed declinations.
C.4.b	Post-exposure evaluation and treatment.	SC	
C.4.c	Appropriate training in and communication of hazards to employees.	SC	
C.4.d	Appropriate record keeping and management.	SC	
C.5	An immunization program for other infectious agents of risk to health care workers and their patients.	SC	Flu vaccines are offered to all staff each autumn.
C.6	A tuberculosis detection and protection plan.	SC	All staff must have annual TB skin testing.
C.7	Programs that address other relevant biological hazards, such as bioterrorism, as needed for employee safety and health.	SC	
D	A program is maintained to assess and reduce risks associated with occupational chemical exposures, including:	SC	Personal protective equipment (PPE) is readily available and used by staff to minimize chemical exposure.

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D.1	Hazard assessment of chemicals used in the workplace.	SC	
D.2	Engineering measures to reduce the risk of chemical exposure.	SC	
D.3	Worker training programs.	SC	
E	A program is maintained to assess and, where necessary, reduce risks associated with physical hazards, such as ergonomic exposures, violence at the workplace, and external physical threats such as terrorism.	SC	Workplace violence has been discussed during in-services. The side entrances are locked and secure from unknown or unwanted persons.
F	Records of work injuries and illnesses are maintained, consistent with reporting requirements, and employee health records are managed appropriately.	SC	
G	The organization periodically assesses patient satisfaction with services and facilities provided by the organization. The findings are reviewed by the governing body and, when appropriate, corrective actions are taken.	SC	All patients are given patient satisfaction surveys to complete. The responses are reviewed by the Clinical Director.
H	When students and postgraduate trainees are present, their status is defined in the organization's written policies and procedures.	NA	
	Consultative Comments		<u>Consultative Comments</u>

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Chapter 4 - Quality of Care Provided

Standard		Compliance Rating	Comments
	An accredited organization provides high-quality health care services in accordance with the principles of professional practice and ethical conduct, and with concern for the costs of care and for improving the community's health status. Such an organization has the following characteristics.		
	Overall Chapter Compliance Level	SC	
A	All health care professionals have the necessary and appropriate training and skills to deliver the services provided by the organization.	SC	Observation and review of personnel files revealed a well-trained staff.
B	Health care professionals practice their professions in an ethical and legal manner.	SC	
C	All personnel assisting in the provision of health care services are appropriately qualified and supervised and are available in sufficient numbers for the care provided.	SC	Staffing and supervision was appropriate during the survey visit.
D	The organization has a current and comprehensive written quality management and improvement program.	SC	
E	The organization facilitates the provision of high-quality health care as demonstrated by the following:	SC	
E.1	Health care provided is consistent with the current standard of care.	PC	Surgical instruments are not processed per industry standards.
E.2	Education of and effective communication with patients served concerning the diagnosis and treatment of their conditions, appropriate preventive measures, and use of the health care system.	SC	
E.3	Appropriate and timely diagnosis based on findings of the current history and physical examination.	SC	
E.4	Medication reconciliation is performed.	PC	Medication reconciliation is performed informally, but not well-documented.
E.5	Treatment that is consistent with clinical impression or working diagnosis.	SC	
E.6	Appropriate and timely consultation and referrals.	SC	
E.7	When clinically indicated, patients are contacted as quickly as possible for	SC	

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	follow-up regarding significant problems and/or abnormal findings.		
E.8	Continuity of care and patient follow-up.	SC	
E.9	Assessing patient satisfaction and taking corrective actions, when indicated.	SC	
E.10	The use of performance measures to improve outcomes.	SC	Performance measures are continuously assessed.
F	Health services available at the organization are accessible to patients and ensure patient safety by at least the following:	SC	
F.1	Provision for and information about services when the organization's facilities are not open.	SC	
F.2	Adequate and timely transfer of information when patients are transferred to other health care professionals.	SC	
G	The organization has policies and procedures for identifying, storing, and transporting laboratory specimens and biological products. The policies and procedures include logging and tracking to ensure that results for each specimen are obtained and have been reported to the ordering physician in a timely manner.	SC	There are no procedures performed which result in a tissue specimen.
H	When the need arises, the organization assists patients with the transfer of their care from one health care professional to another.	SC	There is a transfer agreement in place with Cookeville Regional Medical Center.
H.1	Adequate specialty consultation services are available by prior arrangement.	SC	
H.2	Referral to another health care professional is clearly outlined to the patient and arranged with the accepting health care professional.	SC	
I	When emergencies or unplanned outcomes occur, and hospitalization is indicated for the evaluation and stabilization of the patient, the organization shall have one of the following in place:	SC	
I.1	A written transfer agreement for transferring patients to a nearby hospital.	SC	The transfer agreement is automatically renewed.
I.2	A written policy of credentialing and privileging physicians and dentists who have admitting and similar privileges at a nearby hospital.	SC	
I.3	Written agreement with a physician or provider group with admitting privileges at a nearby hospital.	SC	
I.4	A detailed written procedural plan for handling medical emergencies.	SC	
J	Concern for the costs of care is present throughout the organization.	SC	The costs of care are continuously reviewed.

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	Consultative Comments		<u>Consultative Comments</u>
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Chapter 5 - Quality Management and Improvement - Quality Improvement Program I

Standard		Compliance Rating	Comments
	<p>In striving to improve the quality of care and to promote more effective and efficient utilization of facilities and services, an accredited organization maintains an active, integrated, organized, ongoing, data-driven, peer-based program of quality management and improvement that links peer review, quality improvement activities, and risk management in an organized, systematic way.</p> <p>Organizations may also find it useful to refer to <i>Analyzing Your Quality Management Program and Creating Meaningful Studies</i> in the Worksheets and Forms section of this Handbook.</p>		
	NOTE: The intent of this chapter is that administrative and clinical personnel be involved in the quality management and improvement activities of the organization.		
	Overall Chapter Compliance Level	SC	
	Subchapter I - Quality Improvement Program: An accredited organization maintains an active, integrated, organized, and peer-based quality improvement (QI) program as evidenced by the following characteristics:	SC	
A	The organization has a written quality improvement program for ensuring ongoing quality and improving performance when needed. The program is broad in scope in order to address clinical, administrative, and cost-of-care performance issues, as well as actual patient outcomes, i.e., results of care, including safety of patients. At a minimum, the written program:	SC	The quality improvement program is robust. Included in ongoing review are infection control and safety, patient PACU times, medical record review, complications, patient satisfaction, weekly safety checklists, pharmacy review, quality improvement studies and benchmarking and peer review. The surgeons are very involved in the daily operation of the center.
A.1	Addresses the full scope of the organization's health care delivery services and describes how these services are assessed for quality.	SC	
A.2	Identifies the specific committee(s) or individuals responsible for development, implementation, and oversight of the program.	SC	
A.3	Ensures participation by health care professionals, one or more of whom is a physician or dentist. In organizations where a physician or a dentist is not on the provider staff, and the organization is therefore led by an advanced practice registered nurse or a physician assistant, or in a behavioral health setting led by a licensed clinical behavioral health professional, one or more of such similarly-licensed health care providers is a participant.	SC	
A.4	Includes program purposes, as well as specific objectives that the program intends to achieve.	SC	

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A.5	Specifies the data collection processes used to ensure ongoing quality and identify quality-related problems or concerns (see Standard 5.I.B).	SC	
A.6	Implements activities to improve performance when opportunities for improvement are identified (see Standard 5.I.C).	SC	
A.7	Describes how the organization integrates quality improvement activities, peer review, and the risk management program.	SC	
A.8	Is evaluated at least annually for effectiveness and to determine if the program's purposes and objectives are continuing to be met.	SC	
A.9	Describes processes used to ensure that the results of quality improvement activities, including the annual program evaluation, are reported to the governing body and throughout the organization, as appropriate.	SC	
B	The organization implements data collection processes to ensure ongoing quality and to identify quality-related problems or concerns. Such processes should include but are not limited to:	SC	Data collection is ongoing.
B.1	Analysis of the results of peer review activities.	SC	
B.2	Periodic audits of critical processes, as appropriate for the services provided. (See "Audit" in the Glossary.)	SC	
B.3	Ongoing monitoring of important processes and outcomes of care, as appropriate for the services provided. (See "Quality monitoring" in the Glossary.)	SC	
B.4	Comparison of the organization's performance to internal and external benchmarks.	SC	
B.5	Methods to systematically collect information from other sources. Examples may include patient satisfaction surveys, financial data, medical/legal issues, and outcomes data.	SC	
B.6	Evaluation of the information and data obtained through the above data collection activities to identify the existence of unacceptable variation or results that require improvement.	SC	
C	The organization demonstrates that ongoing improvement is occurring by conducting quality improvement studies when the data collection processes described in Standard 5.I.B indicate that improvement is or may be warranted. Written descriptions of QI studies document that each study includes the following elements as applicable ¹ :	SC	Meaningful, data-driven quality improvement studies are conducted. The AAAHC 10 element process is used.
C.1	A statement of the purpose of the QI study that includes a description of the	SC	

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	problem and an explanation of why it is significant to the organization. (See Developing Meaningful Quality Improvement Studies in the Tools section of this Handbook.)		
C.2	Identification of the measurable performance goal against which the organization will compare its current performance in the area of study. The goal must be stated in quantitative terms. (Note: See the QI study template on page 110 for more information on numerically stated goals.)	SC	
C.3	A description of the data that will be collected in order to determine the organization's current performance (i.e., study methodology).	SC	
C.4	Evidence of data collection.	SC	
C.5	Data analysis that describes findings about the frequency, severity, and source(s) of the problem(s).	SC	
C.6	A comparison of the organization's current performance in the area of study against the previously identified performance goal.	SC	
C.7	Implementation of corrective action(s) to resolve identified problem(s).	SC	
C.8	Re-measurement (a second round of data collection and analysis as described in Standard 5.I.C.4-6) to objectively determine whether the corrective actions have achieved and sustained demonstrable improvement.	SC	
C.9	If the initial corrective action(s) did not achieve and/or sustain the desired improved performance, implementation of additional corrective action(s) and continued re-measurement until the problem is resolved or is no longer relevant.	SC	
C.10	Communication of the findings of the quality improvement activities to the governing body and throughout the organization, as appropriate, and incorporation of such findings into the organization's educational activities ("closing the QI loop").	SC	
D	The organization participates in external benchmarking activities that compare key performance measures with other similar organizations, with recognized best practices or with national or professional targets or goals.	SC	Benchmarking is ongoing and closely related to patient care and outcomes.
D.1	The organization's benchmarking activities include, but are not limited to:	SC	
D.1.a	The use of selected performance measures that are appropriate for improving the processes or outcomes of care relevant to the patients served.	SC	
D.1.b	Systematically collecting and analyzing data related to the selected performance measures.	SC	

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D.1.c	Using benchmarks that are based on valid and reliable local, state, national, or published data.	SC	
D.1.d	Measuring changes in the organization's performance on the selected performance measures.	SC	
D.1.e	Demonstrating sustained performance improvement over time.	SC	
D.2	Results of benchmarking activities must be incorporated into other quality improvement activities of the organization.	SC	
D.3	Results of benchmarking activities must be reported to the organization's governing body and throughout the organization, as appropriate.	SC	
	Consultative Comments		<u>Consultative Comments</u>
	'At least one completed quality improvement study demonstrating that improvement has occurred, i.e., including Standards 5.I.C.1-8, 9 (if applicable) and 10 must be present in order for Standard 5.I.C. to be considered for a rating of Substantially Compliant (SC). This does not imply that conducting only one complete study per accreditation cycle is adequate or appropriate for all organizations, nor does conducting one complete study automatically result in a rating of SC for Standard 5.I.C.		

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Chapter 5 - Quality Management and Improvement - Quality Improvement Studies Ia

Standard		Compliance Rating	Comments
	Subchapter Ia - Quality Improvement Topics		
	Rating scale for QI studies: SC = Substantially compliant (meets standards) PC = Partially compliant (needs improvement) NC = Non-compliant N/A = Not applicable * = Study ongoing; cannot rate item yet		
Q11	Quality Improvement Topic #1 (Name of study):	Allergy documentation	
Q11.1	A statement of the purpose of the QI activity that includes a description of the known or suspected problem, and explains why it is significant to the organization.	SC	The purpose of the study is to review allergy and reaction documentation.
Q11.2	Identification of the performance goal against which the organization will compare its current performance in the area of study.	SC	The goal is for 90% compliance.
Q11.3	Description of the data that will be collected in order to determine the organization's current performance.	SC	20 charts for each surgeon will be reviewed from January to September 2015. Facility policy is to document allergies and reactions in three chart locations.
Q11.4	Evidence of data collection.	SC	
Q11.5	Data analysis that describes findings about the frequency, severity and source(s) of the problem(s).	SC	Findings revealed 30% compliance for one surgeon and 50% compliance for the other surgeon.
Q11.6	A comparison of the organization's current performance in the area of study against the previously identified performance goal.	SC	The goal of 90% compliance was not met.
Q11.7	Implementation of corrective action(s) to resolve identified problem(s).	SC	Corrective action included review of the process with physicians and staff.
Q11.8	Re-measurement (a second round of data collection and analysis as described in Standard 5.II.B-4-6) to objectively determine whether the corrective actions have achieved and sustained demonstrable improvement.	SC	Re-measurement is currently underway.
Q11.9	If the initial corrective action(s) did not achieve and/or sustain the desired improved performance, implementation of additional corrective action(s) and continued remeasurement until the problem is resolved or is no longer relevant.	NA	
Q11.10	Communication of the findings of the quality improvement activities to the	SC	Board and staff updates are scheduled for the next meetings.

	governing body and throughout the organization, as appropriate, and incorporation of such findings into the organization's educational activities ("closing the QI loop").		
Q12	Quality Improvement Topic #2 (Name of study):	Discharge Times Comparison	
Q12.1	A statement of the purpose of the QI activity that includes a description of the known or suspected problem, and explains why it is significant to the organization.	SC	The purpose of this benchmarking study is to review patient length of stay times among surgeons.
Q12.2	Identification of the performance goal against which the organization will compare its current performance in the area of study.	SC	The goal is to complete care within 90 minutes from admission to discharge.
Q12.3	Description of the data that will be collected in order to determine the organization's current performance.	SC	Data collection started in February 2015 until 10 charts per surgeon are reviewed. Patient start time is defined as time of consent signing to physical discharge.
Q12.4	Evidence of data collection.	SC	
Q12.5	Data analysis that describes findings about the frequency, severity and source(s) of the problem(s).	SC	Different times were reported to be under 1.5 hours.
Q12.6	A comparison of the organization's current performance in the area of study against the previously identified performance goal.	SC	The goal was met.
Q12.7	Implementation of corrective action(s) to resolve identified problem(s).	NA	
Q12.8	Re-measurement (a second round of data collection and analysis as described in Standard 5.II.B-4-6) to objectively determine whether the corrective actions have achieved and sustained demonstrable improvement.	NA	
Q12.9	If the initial corrective action(s) did not achieve and/or sustain the desired improved performance, implementation of additional corrective action(s) and continued remeasurement until the problem is resolved or is no longer relevant.	NA	
Q12.10	Communication of the findings of the quality improvement activities to the governing body and throughout the organization, as appropriate, and incorporation of such findings into the organization's educational activities ("closing the QI loop").	SC	Staff education took place in April 2015.
Q13	Quality Improvement Topic #3 (Name of study):		
Q13.1	A statement of the purpose of the QI activity that includes a description of the known or suspected problem, and explains why it is significant to the organization.		

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Q13.2	Identification of the performance goal against which the organization will compare its current performance in the area of study.		
Q13.3	Description of the data that will be collected in order to determine the organization's current performance.		
Q13.4	Evidence of data collection.		
Q13.5	Data analysis that describes findings about the frequency, severity and source(s) of the problem(s).		
Q13.6	A comparison of the organization's current performance in the area of study against the previously identified performance goal.		
Q13.7	Implementation of corrective action(s) to resolve identified problem(s).		
Q13.8	Re-measurement (a second round of data collection and analysis as described in Standard 5.II.B-4-6) to objectively determine whether the corrective actions have achieved and sustained demonstrable improvement.		
Q13.9	If the initial corrective action(s) did not achieve and/or sustain the desired improved performance, implementation of additional corrective action(s) and continued remeasurement until the problem is resolved or is no longer relevant.		
Q13.10	Communication of the findings of the quality improvement activities to the governing body and throughout the organization, as appropriate, and incorporation of such findings into the organization's educational activities ("closing the QI loop").		
Q14	Quality Improvement Topic #4 (Name of study):		
Q14.1	A statement of the purpose of the QI activity that includes a description of the known or suspected problem, and explains why it is significant to the organization.		
Q14.2	Identification of the performance goal against which the organization will compare its current performance in the area of study.		
Q14.3	Description of the data that will be collected in order to determine the organization's current performance.		
Q14.4	Evidence of data collection.		
Q14.5	Data analysis that describes findings about the frequency, severity and source(s) of the problem(s).		
Q14.6	A comparison of the organization's current performance in the area of study		

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	against the previously identified performance goal.			
Q14.7	Implementation of corrective action(s) to resolve identified problem(s).			
Q14.8	Re-measurement (a second round of data collection and analysis as described in Standard 5.II.B-4-6) to objectively determine whether the corrective actions have achieved and sustained demonstrable improvement.			
Q14.9	If the initial corrective action(s) did not achieve and/or sustain the desired improved performance, implementation of additional corrective action(s) and continued remeasurement until the problem is resolved or is no longer relevant.			
Q14.10	Communication of the findings of the quality improvement activities to the governing body and throughout the organization, as appropriate, and incorporation of such findings into the organization's educational activities ("closing the QI loop").			
Q15	Quality Improvement Topic #5 (Name of study):			
Q15.1	A statement of the purpose of the QI activity that includes a description of the known or suspected problem, and explains why it is significant to the organization.			
Q15.2	Identification of the performance goal against which the organization will compare its current performance in the area of study.			
Q15.3	Description of the data that will be collected in order to determine the organization's current performance.			
Q15.4	Evidence of data collection.			
Q15.5	Data analysis that describes findings about the frequency, severity and source(s) of the problem(s).			
Q15.6	A comparison of the organization's current performance in the area of study against the previously identified performance goal.			
Q15.7	Implementation of corrective action(s) to resolve identified problem(s).			
Q15.8	Re-measurement (a second round of data collection and analysis as described in Standard 5.II.B-4-6) to objectively determine whether the corrective actions have achieved and sustained demonstrable improvement.			
Q15.9	If the initial corrective action(s) did not achieve and/or sustain the desired improved performance, implementation of additional corrective action(s) and continued remeasurement until the problem is resolved or is no longer relevant.			

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Q15.10	Communication of the findings of the quality improvement activities to the governing body and throughout the organization, as appropriate, and incorporation of such findings into the organization's educational activities ("closing the QI loop").		
ASK.1	How many studies has the organization conducted in the previous 12 month period?	2	
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Chapter 5 - Quality Management and Improvement - Risk Management II

Standard		Compliance Rating	Comments
	Subchapter II - Risk Management: An accreditable organization develops and maintains a program of risk management, appropriate to the organization, designed to protect the life and welfare of an organization's patients and employees. Such an organization has the following characteristics:	SC	
A	Documented education in risk management activities and safety policies and processes, is provided to all staff within 30 days of commencement of employment, annually thereafter, and when there is an identified need.	SC	New hire orientation includes risk management, infection control and safety. This is well-documented.
B	Documented education in infection control policies and processes is provided to all staff within 30 days of commencement of employment, annually thereafter, and when there is an identified need.	SC	
C	Risk management program processes are consistently implemented throughout the organization, including all departments and service locations.	SC	
D	Risk management processes address patient safety and other important issues including:	SC	
D.1	The definition of an adverse incident that includes, at a minimum, the events defined in Standard 5.II.E.2.	SC	
D.2	The identification, reporting, and appropriate analysis of all adverse incidents. The analysis identifies the basic or causal factors underlying the incident, and identifies potential improvements in processes or systems, if any exist, to reduce the likelihood of such incidents in the future.	SC	
D.3	Encouraging the reporting of near miss events.	SC	
D.4	The communication of reportable events as required by law and regulation.	SC	
D.5	Periodic review of all litigation involving the organization and its staff and health care professionals.	SC	
D.6	An ongoing review of patient complaints and grievances that includes defined response times, as required by law and regulation.	SC	
D.7	Documentation of timely notification to the professional liability insurance carrier when adverse or reportable events occur.	SC	
D.8	Periodic review of clinical records and clinical record policies.	SC	

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D.9	Other state or federal risk management requirements.	SC	
E	The organization's risk management program includes the definition of an incident and an adverse incident. At a minimum:	SC	An adverse incident has been defined in policy. The following elements are included.
E.1	The definition of an incident includes any occurrence that is not consistent with the routine care or operation of the organization. Incidents may involve patients, visitors, employees, and medical or dental staff members. All incidents are reviewed, and when appropriate, are acted upon.	SC	
E.2	The definition of an adverse incident that incorporates:	SC	
E.2.a	An unexpected occurrence during a health care encounter involving patient death or serious physical or psychological injury or illness, including loss of limb or function, not related to the natural course of the patient's illness or underlying condition.	SC	
E.2.b	Any process variation for which a recurrence carries a significant chance of a serious adverse outcome.	SC	
E.2.c	Events such as actual breaches in medical care, administrative procedures, or other events resulting in an outcome that is not associated with the standard of care or acceptable risks associated with the provision of care and service for a patient.	SC	
E.2.d	All events involving reactions to drugs and materials.	SC	
E.2.e	Circumstances or events that could have resulted in an adverse event (near-miss events).	SC	
F	In addition, the Risk Management policies address:	SC	
F.1	Written methods by which a patient may be dismissed from care or refused care.	SC	
F.2	A process for managing a situation in which a health care professional becomes incapacitated during a medical or surgical procedure.	PC	This policy was recently revised and is awaiting governing body approval.
F.3	A process for communicating concerns regarding an impaired health care professional.	PC	This policy was recently revised and is awaiting governing body approval.
F.4	Establishment of responsibility for, and documentation of, coverage after normal working hours.	SC	
F.5	Written policies restricting observers in patient care areas and addressing those persons authorized by the governing body to perform or assist in the procedure area.	SC	Visitor restrictions are in place in facility policy.

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F.6	A requirement for evidence of patient consent for all other persons allowed in patient care areas that are not authorized staff. Examples of unauthorized persons include students, interested physicians, health care industry representatives, surveyors, etc.	SC	
G	The governing body designates a person or committee to be responsible for implementation and ongoing management of the risk management program.	SC	The Clinical Director is the Risk Manager.
	Consultative Comments		<u>Consultative Comments</u>

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Chapter 6 - Clinical Records and Health Information

Standard		Compliance Rating	Comments
	An accredited organization maintains electronic and/or paper clinical records and a health information system from which information can be retrieved promptly. Clinical records are complete, comprehensive, legible, documented accurately in a timely manner, and readily accessible to health care professionals. The <i>Clinical Records Worksheet</i> , found in the Worksheets and Forms section of this <i>Handbook</i> , may be useful in assessing your organization's compliance with Chapter 6 Standards.		
	Overall Chapter Compliance Level	SC	
	Number of patient files reviewed during the survey:	10	
	Description of how records were selected:		Records are randomly selected to include both surgeons and several different anesthesia providers. Cataract and laser procedures were reviewed.
A	The organization develops and maintains a system for the proper collection, processing, maintenance, storage, retrieval, and distribution of clinical records.	SC	Clinical records are recorded in paper format. The charts are well-organized, legible and inclusive of required information.
B	A designated person is in charge of clinical records. This person's responsibilities include, but are not limited to:	SC	The Clinical Director is responsible for the clinical records. The charts are kept in a locked room with limited access.
B.1	The confidentiality, security, and physical safety of records.	SC	
B.2	The timely retrieval of individual records upon request.	SC	
B.3	The supervision of the collection, processing, maintenance, storage, and appropriate access to and usage of records.	SC	
B.4	Security of the clinical record including:	SC	
B.4.a	A method of tracking who accesses the record in order to deter unauthorized access for electronic records.	NA	
B.4.b	A method of identifying designated locations of paper records throughout the organization in order to deter unauthorized access.	SC	
C	An individual clinical record is established for each person receiving care. Each record includes at a minimum:	SC	Individual records are maintained.
C.1	Patient name.	SC	

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C.2	Identification number (if appropriate).	SC	
C.3	Date of birth.	SC	
C.4	Gender.	SC	
C.5	Responsible party, if applicable.	SC	
D	Clinical record entries are legible and easily accessible within the record by the organization's personnel.	SC	
E	If a patient has had three or more visits/admissions, or the clinical record is complex and lengthy, a summary of past and current diagnoses or problems, including past procedures, is documented in the patient's record to facilitate the continuity of care.	SC	
F	The presence or absence of allergies and untoward reactions to drugs and materials is recorded in a prominent and consistently defined location in all clinical records. This is verified at each patient encounter and updated whenever new allergies or sensitivities are identified.	SC	Allergies and reactions were consistently documented. There facility policy is for documentation in three locations. This was previously problematic and with the help of a QI study has shown big improvement.
G	Except when otherwise required by law, the content and format of clinical records, including the sequence of information, are uniform. Records are organized in a consistent manner that facilitates continuity of care.	SC	
H	Documentation regarding missed and canceled appointments is added to the patient's record.	SC	
I	Entries in a patient's clinical record for each visit include, at a minimum:	SC	
I.1	Date (and department, if departmentalized).	SC	
I.2	Chief complaint or purpose of visit.	SC	
I.3	Clinical findings.	SC	
I.4	Studies ordered, such as laboratory or x-ray studies.	SC	
I.5	Care rendered and therapies administered.	SC	
I.6	Any changes in prescription and non-prescription medication with name and dosage, when available.	SC	
I.7	Discharge diagnosis or impression.	SC	
I.8	Disposition, recommendations, and instructions given to the patient.	SC	

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I.9	Verification of contents by health care professionals.	SC	
I.10	Signature of, or authentication by, the health care professional on the clinical record entries.	SC	
J	Reports, histories and physicals, progress notes, and other patient information (such as laboratory reports, x-ray readings, operative reports, and consultations) are reviewed and incorporated into the record, as required by the organization's policies.	SC	
K	The date of entry into the clinical record (with or without time of entry) of reports, histories and physicals, progress notes, and other patient information is documented in the patient's record.	SC	
L	Significant medical advice given to a patient by text, e-mail, or telephone, including medical advice provided after-hours, is permanently entered in the patient's clinical record and appropriately signed or initialed.	SC	Before procedures, patients are contacted by phone by the nursing staff. Pre-operative information is provided to patients. They are given the opportunity to ask any additional questions.
M	Any notation in a patient's clinical record indicating diagnostic or therapeutic intervention as part of clinical research is clearly contrasted with entries regarding the provision of non-research related care.	NA	
N	Discussions with the patient concerning the necessity, appropriateness, and risks of the proposed care, surgery, or procedure, as well as discussions of treatment alternatives, as applicable, are incorporated into the patient's clinical record.	SC	This discussion takes place in the physician's office when scheduling the procedure and is documented in the informed consent.
O	The organization ensures continuity of care for its patients. If a patient's primary or specialty care provider(s) or health care organization is elsewhere, the organization ensures that timely summaries or pertinent records necessary for continuity of patient care are:	SC	Although rarely implemented, there is a process in place for transferring patients to a higher level of care. ASC records are sent to the hospital with patients and after discharge, hospital records are obtained and reviewed.
O.1	Obtained from the other (external) provider(s) or organization and incorporated into the patient's clinical record.	SC	
O.2	Provided to the other (external) health care professional(s) and, as appropriate, to the organization where future care will be provided.	SC	
P	Except when otherwise required by law, any record that contains clinical, social, financial, or other data on a patient is treated as strictly confidential and is protected from loss, tampering, alteration, destruction, and unauthorized or inadvertent disclosure. Patients are given the opportunity to approve or refuse release of records, except when release is permitted or required by law.	SC	Records are treated in a confidential manner. HIPAA training is provided.
Q	All clinical information relevant to a patient is readily available to authorized personnel any time the organization is open to patients.	SC	Records were provided as requested during the survey visit.
R	Written policies concerning clinical records address, at a minimum:	SC	Records are kept for the time required by law and then destroyed by a

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			contracted shredding vendor.
R.1	The retention of active records.	SC	
R.2	The retirement of inactive records.	SC	
R.3	Clear definition for the release and security of information, including accountability for editing, deletion, and access of clinical record content.	SC	
	Consultative Comments		<u>Consultative Comments</u>

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Chapter 7 - Infection Prevention, Control, and Safety

Standard		Compliance Rating	Comments
	An accredited organization provides health care services while adhering to safe practices for patients, staff, and all others. The organization maintains ongoing programs designed to (1) prevent and control infections and communicable diseases, and (2) provide a safe and sanitary environment of care.		
	Overall Chapter Compliance Level	PC	The surgical instrument process does not follow accepted standards of care.
	Subchapter I - Infection Prevention and Control: An accredited organization maintains an active and ongoing infection prevention and control program as evidenced by the following characteristics:	PC	Attention is needed in the instrument processing process to assure all patients receive the same standard of care. Surveillance for hand hygiene and safe injection practices is needed.
A	The organization has established a written program for identifying and preventing infections, maintaining a sanitary environment, and reporting the results to appropriate authorities.	SC	The infection control program includes exposure control and prevention, universal precautions, hand hygiene, attire, traffic patterns, sterile technique, cleaning and disinfecting.
B	The written infection prevention and control program is:	PC	Nationally recognized infection control guidelines have not been considered and selected by the governing body.
B.1	Approved by the governing body.	SC	
B.2	Based on nationally-recognized infection prevention and control guidelines considered and selected by the governing body	NC	There was no evidence of the consideration and selection of nationally recognized guidelines.
B.3	An integral part of the organization's quality improvement program.	SC	The infection control program reports to the quality improvement program and the governing body.
B.4	Appropriate to the organization and meets all applicable state and federal requirements.	SC	
B.5	Provides a plan of action for preventing, identifying, and managing infections and communicable diseases and for immediately implementing corrective and preventive measures that result in improvement.	SC	Each quarter the surgeons are given a list of patients from the previous quarter to identify any post-operative infections. The reporting is up-to-date.
B.6	Clear to include direct intervention to prevent infection, as needed.	SC	
C	The infection prevention and control program is under the direction of a designated and qualified health care professional who has training and current competence in infection control.	SC	The Clinical Director is the infection control nurse for the ASC. She has taken several online infection control courses.
D	The infection control and prevention program reduces the risk of health	PC	There is ongoing education for hand hygiene and safe injection practices;

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	care-acquired infection as evidenced by education and active surveillance, consistent with:		however, there is no ongoing surveillance.
D.1	WHO, CDC, or other nationally-recognized guidelines for hand hygiene.	PC	There is no formal surveillance in place for hand hygiene.
D.2	CDC or other nationally-recognized guidelines for safe injection practices.	PC	There is no formal surveillance in place for safe injection practices.
E	Medical and dental staff members, allied health practitioners, employees, volunteers, and others receive infection prevention education and training and comply with requirements.	SC	Physicians and anesthesia providers are included in infection control education.
F	The organization adheres to professionally accepted standards of practice, manufacturer's recommendations, and state and federal guidelines related to the cleaning, disinfection, and sterilization of instruments, equipment, supplies, and implants.	NC	Accepted standards of care for instrument processing are not followed. Some patients have instruments which have been washed with mild detergent and others have instruments which have been rinsed in the OR in water without detergent to remove bioburden. Complete flushing of instruments is also not performed per manufacturer direction. It appears that this is in place to save time between surgeries and more instrument trays are needed. The American Society of Cataract and Refractive Surgeons (ASCRS) Task Force on Recommended Practices for Cleaning and Sterilizing Intraocular Instruments processing was provided. Epinephrine is added to bottles of BSS (Balanced Salt Solution) used in cataract surgery. The bottles are clearly labeled, "Do not use additives with this product." This was discussed at length with the Medical Director. The lens used in laser procedures does not receive high level disinfection as required for semi-critical instruments. Manufacturer instructions were reviewed.
G	A written sharps injury prevention program must be present in the organization. Such a program will include:	SC	Sharp injury prevention training is provided at least annually.
G.1	Documentation of new employee orientation, annual staff education, and additional education as needed.	SC	
G.2	Disposal of intact needles and syringes into appropriate puncture-resistant sharps containers, in accordance with current state and federal guidelines.	SC	
G.3	Placement of sharps containers in appropriate care areas, secured from tampering.	SC	Sharps containers were appropriately placed, secured and monitored.
G.4	Replacement of sharps containers when the fill line is reached.	SC	Fill lines are checked daily as part of closing duties.
G.5	Handling, storage, and disposal of filled sharps containers in accordance with applicable regulations.	SC	
H	The organization provides a safe and sanitary environment for treating patients. This includes safeguards to protect the patient from cross-infection through the provision of adequate space, equipment, supplies, and personnel.	PC	There is potential for cross-infection in the OR. There is a pass through window from the OR to the decontamination room. This window is left open during procedures so that instruments can be passed through. This interferes with the air exchanges in the OR. The OR is a positive pressure environment and the decontamination room is a negative pressure environment and should not mix.

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			High level disinfection is needed for the lens used during laser procedures but is not performed.
I	Policies are in place for the isolation or immediate transfer of patients with a communicable disease.	SC	
J	A mechanism is in place to notify public health authorities of reportable conditions.	SC	The Tennessee list of reportable diseases was present.
K	Procedures must be available to minimize the sources and transmission of infections, including adequate surveillance techniques.	SC	Quarterly infection control and safety rounds are performed by the Clinical Director.
L	A written process is in place for the monitoring and documentation of the cleaning, high-level disinfection, and sterilization of medical equipment, accessories, instruments, and implants.	PC	Instrument cleaning is inconsistently performed. There are three instrument trays for cataract surgery. The first three patients of the day have instruments which were washed with detergent before sterilizing. The fourth, fifth and subsequent patients have instruments which were rinsed only in a basin of water in the OR. All patients must receive the same level of care regardless of their place on the schedule. High-level disinfection is needed for the lens used during laser procedures but is not performed.
M	A written policy addresses the identification and processing of medical equipment and instruments that fail to meet high-level disinfection or sterilization parameters.	PC	This policy is awaiting governing body approval.
N	Sterile packs of equipment and instruments are handled and stored in a manner that maintains their sterility.	SC	Sterilized items were properly stored.
O	The organization's written policies address cleaning of patient treatment and care areas which, at a minimum, include:	SC	
O.1	Cleaning before use.	SC	
O.2	Cleaning between patients.	SC	
O.3	Terminal cleaning at the end of the day.	SC	
P	Medical devices for use with multiple patients are cleaned and disinfected between patients, following the manufacturer's recommended guidelines or nationally recognized guidelines, whichever are more stringent.	SC	Non-critical items such as blood pressure cuffs and pulse oximetry probes are disinfected after each patient contact.
Q	A written policy outlines appropriate hand hygiene using products according to the product manufacturer's recommended guidelines.	SC	
	Consultative Comments		<u>Consultative Comments</u> Suggest expanding infection control reporting to include hand hygiene and safe injection practices.

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Chapter 7 - Safety

Standard		Compliance Rating	Comments
	Subchapter II - Safety: An accredited organization adheres to safe practices for patients, staff, and others as evidenced by the following characteristics:	SC	
A	Elements of an organization's written safety program address the environment of care and the safety of patients, staff, and others, and must meet or exceed local, state, or federal safety requirements. Elements of the safety program include at a minimum:	SC	Safety training is ongoing and inclusive of requirements and all staff members.
A.1	Processes for the management of identified hazards, potential threats, near misses, and other safety concerns.	SC	
A.2	An awareness of, and a process for, reporting known adverse incidents to appropriate state and federal agencies when required by law to do so.	SC	The Clinical Director is aware of reporting requirements.
A.3	Processes to reduce and avoid medication errors.	SC	A look-alike/sound-alike list of medications is present. Like medications are stored separately.
A.4	Policies addressing manufacturer or regulatory agency recalls related to medications, medical equipment and devices, and food products.	SC	
A.5	Prevention of falls or physical injuries involving patients, staff, and others. As required by regulation or contract, the reporting of falls or physical injuries is accurate and timely.	SC	Patients are assessed for their risk of falling. They are assisted when getting up from the stretcher and going to the restroom.
B	There is a person or committee designated by the governing body who is responsible for the organization's safety program.	SC	The Clinical Director is the Safety Officer.
C	Medical staff members, allied health providers, employees, volunteers, and others receive safety program education and training and comply with the requirements.	SC	Surgeons and anesthesia providers are included in the ongoing safety training.
D	Unique patient identifiers are consistently used throughout care.	SC	The patient name and date of birth are the unique identifiers used at this facility.
E	The organization has a comprehensive written emergency and disaster preparedness plan to address internal and external emergencies, including participating in community health emergency or disaster preparedness, when applicable. The written plan must include a provision for the safe evacuation of individuals during an emergency, especially individuals who are at greater risk.	SC	The emergency and disaster plan is reviewed during disaster drills.
F	Personnel trained in basic life support (BLS) and the use of cardiac and all other emergency equipment and supplies are present in the facility when	SC	All ASC staff had evidence of current BLS training.

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	patients are present.		
G	The organization has adopted the appropriate policies and procedures to educate medical staff members, employees, volunteers, and other providers and personnel in fire prevention and fire hazard reduction.	SC	
H	Fire safety, fire prevention, and fire drills are included in the surveillance activities of personnel responsible for safety and risk management.	SC	Fire drills are conducted quarterly. During this time RACE and PASS are reviewed.
I	Environmental hazards associated with safety are identified and safe practices are implemented.	SC	All staff are empowered to identify any safety hazards. Staff is aware that the patient's vision is altered during the surgery.
J	Measures are implemented to prevent skin and tissue injury from chemicals, cleaning solutions, and other hazardous exposure.	SC	
K	Evidence of compliance with local, state, and federal guidelines is present and adhered to regarding preparing, serving, disposal, and storing of food and drink for patient use.	SC	Limited food and drink items are served in PACU.
L	Patients are educated about prescribed medical devices and associated protocols and guidelines. Patient competence with each device is verified before independent use.	SC	Patients receive an intraocular lens during cataract procedures. This is discussed at length in the surgeon's office when scheduling procedures. Many different lens options are offered.
M	Written policies must clearly require documentation of the pre-cleaning, transport, and handling of medical devices intended for external vendor reprocessing, inspection, or repair.	PC	This policy follows manufacturer directions for returning instruments and is awaiting governing body approval.
N	Reprocessing of single-use devices must comply with FDA guidelines, and the devices must have been cleared under the FDA 510(k) process.	NA	
O	The organization has a written policy and process that addresses the recall of items including drugs and vaccines, blood and blood products, medical devices, equipment and supplies, and food products. At a minimum, the policy addresses documentation of:	SC	There is a recall policy in place which includes medications and medical devices.
O.1	Sources of recall information (FDA, CDC, manufacturers, and other local, state, or federal sources).	SC	
O.2	Methods for notification of staff that need to know.	SC	
O.3	Methods to determine if a recalled product is present at the organization or has been given or administered to patients.	SC	
O.4	Response to recalled products.	SC	
O.5	Disposition or return of recalled items.	SC	

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O.6	Patient notification, as appropriate.	SC	Expiration dates are closely checked by the nursing staff. No expired items were noted.
P	Products, including medications, reagents, solutions, and supplies that have a manufacturer's printed expiration date are monitored and disposed of in compliance with facility policy and manufacturers' guidelines. The organization has a policy for disposal or return of expired medications and supplies that is in accordance with local, state, and federal guidelines.	SC	
Q	Prior to use, appropriate education is provided to intended operators of newly-acquired devices or products to be used in the care of patients.	SC	
R	The organization has designated a person to be responsible for ensuring that appropriate clinical education occurs prior to allowing the use of a newly-acquired device in the care of a patient. Vendor representatives are not used as the sole source for clinical education.	SC	
	Consultative Comments		<u>Consultative Comments</u>

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Chapter 8 - Facilities and Environment

Standard		Compliance Rating	Comments
	An accredited organization provides a functionally safe and sanitary environment for its patients, personnel, and visitors.		
	Overall Chapter Compliance Level	SC	Clearer Vision, LLC does business as the Premier Surgery Center in Cookeville, Tennessee. This is a one OR ASC with small but efficient patient care areas. The ASC occupies 2130 square feet. The center is clean, welcoming and very well maintained.
A	The organization provides evidence of compliance with the following:	SC	
A.1	Applicable state and local building codes and regulations.	SC	
A.2	Applicable state and local fire prevention regulations.	SC	
A.3	Applicable federal regulations.	SC	
A.4	Periodic inspection by the local or state fire control agency, if this service is available in the community.	SC	
B	The organization ensures that its facilities:	SC	
B.1	Contain fire-fighting equipment to control a limited fire, including appropriately maintained and placed fire extinguishers of the proper type for each potential type of fire.	SC	Fire extinguishers were appropriately placed throughout the center. They are checked monthly.
B.2	Have prominently displayed illuminated signs with emergency power capability at all exits, including exits from each floor or hall.	SC	Fully illuminated, battery backup lights mark the exit pathway.
B.3	Have emergency lighting, as appropriate to the facility, to provide adequate illumination for evacuation of patients and staff, in case of an emergency.	SC	These lights are checked monthly.
B.4	Have stairwells protected by fire doors, when applicable.	SC	
B.5	Provide reception areas, toilets, and telephones in accordance with patient and visitor volume.	SC	
B.6	Provide examination rooms, dressing rooms, and reception areas that are constructed and maintained in a manner that ensures patient privacy during interviews, examinations, treatment, and consultation.	SC	Background music is used to enhance auditory privacy in this compact center.

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B.7	Are operated in a safe and secure manner, with written policy(ies) addressing safety and security practices.	SC	
C	The organization has the necessary personnel, equipment, and procedures to deliver safe care, and to handle medical and other emergencies that may arise.	SC	
D	The organization provides documented periodic instruction to all personnel in the proper use of safety, emergency, and fire-extinguishing equipment.	SC	This takes places during quarterly fire drills.
E	The organization conducts scenario-based drills of the internal emergency and disaster preparedness plan. ¹	SC	There are quarterly fire drills. Annual CPR and disaster drills are performed.
E.1	At least one drill is conducted each calendar quarter.	SC	
E.2	One of the quarterly drills is a cardiopulmonary resuscitation (CPR) technique drill, as appropriate to the organization.	SC	
E.3	A written evaluation of each drill is completed.	SC	
E.4	Any needed corrections or modifications to the plan are implemented promptly.	SC	
F	Smoking is prohibited within the facility.	SC	No smoking signs were in place and observed.
G	Hazards that might lead to slipping, falling, electrical shock, burns, poisoning, or other trauma are identified and addressed.	SC	
H	Provisions are made to reasonably accommodate disabled individuals.	SC	The center appears to be ADA compliant.
I	Adequate lighting and ventilation are provided in all areas.	SC	
J	Facilities are clean and properly maintained.	SC	
K	A system exists for the proper identification, management, handling, transport, treatment, and disposal of hazardous materials and wastes, whether solid, liquid, or gas.	SC	Hazardous waste is properly collected, stored and removed.
L	The space allocated for a particular function or service is adequate for the activities performed therein.	SC	
M	Appropriate emergency equipment and supplies are maintained and are readily accessible to all areas of each patient care service site.	SC	The crash cart is checked daily.
N	Policies and procedures regarding medical equipment include its standardized use, and documented evidence of periodic testing and scheduled preventive maintenance according to manufacturer's specifications.	SC	Preventive maintenance is performed on schedule by a contracted biomedical service.

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O	Testing of fire alarm and inspection of fire suppression systems, including verification of signal transmission, are performed and documented.	SC	The building is not sprinklered. The fire alarm is tested at least annually.
P	When an organization undergoes demolition, construction, or renovation projects, the organization performs a proactive and ongoing risk assessment for existing or potential environmental hazards.	NA	
Q	Ongoing temperature monitoring is performed for items that are frozen, refrigerated, and/or heated per product manufacturer's recommendations. Stated temperature ranges are readily available to staff performing the monitoring function.	SC	Temperature monitoring was noted.
	Consultative Comments		<u>Consultative Comments</u>
	¹ Drills should be appropriate to the facility's activities and environment. Examples include medical emergencies, building fires, surgical fires, tornados, hurricanes, earthquakes, bomb threats, violence, and chemical, biological, or nuclear threats.		

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Chapter 9a - Anesthesia Information

Standard		Compliance Rating	Comments
	Chapter 9a - Anesthesia Info		
	If the organization provides any anesthesia services, please select the "X" to mark the appropriate boxes below. If no anesthesia services are provided, leave this page blank.		
	Indicate all levels of anesthesia provided:		
	Local or topical anesthesia is the application of local anesthetic agents, in appropriate doses adjusted for weight.	X	
	Minimal sedation (anxiolysis) is a drug-induced state during which patients respond normally to verbal commands. Although cognitive function and coordination may be impaired, ventilatory and cardiovascular functions are unaffected. Inhaled nitrous oxide in low concentrations that would not reasonably be expected to result in loss of the patient's life-preserving protective reflexes would be considered minimal sedation.	X	
	Moderate sedation/analgesia (conscious sedation) is a drug-induced depression of consciousness during which patients respond purposefully ¹ to verbal commands, either alone or accompanied by light tactile stimulation. No interventions are required to maintain a patent airway, and spontaneous ventilation is adequate. Cardiovascular function is usually maintained.	X	
	Regional anesthesia is the application of anesthetic medication around the nerve or nerves in a major region of the body, which supply the area that is targeted for the abolition of painful neural impulses. No interventions are required to maintain a patent airway, and spontaneous ventilation is adequate. Cardiovascular function is usually maintained.	X	
	Deep sedation/analgesia is a drug-induced depression of consciousness during which patients cannot be easily aroused but respond purposefully ¹ following repeated or painful stimulation. The ability to independently maintain ventilatory function may be impaired. Patients may require assistance in maintaining a patent airway, and spontaneous ventilation may be inadequate. Cardiovascular function is usually maintained.		
	General anesthesia is a drug-induced loss of consciousness during which patients are not arousable, even by painful stimulation. The ability to independently maintain ventilator function is often impaired. Patients often require assistance in maintaining a patent airway, and positive pressure ventilation may be required because of depressed spontaneous ventilation or		

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	drug-induced depression of neuromuscular function. Cardiovascular function may be impaired.		
	Note: Because sedation is a continuum, it is not always possible to predict how an individual patient will respond. Individuals administering minimal or moderate sedation/analgesia or regional anesthesia should be able to support the respiratory and cardiovascular system of patients who enter a state of deep sedation/analgesia, while those administering deep sedation/analgesia should be able to support the respiratory and cardiovascular system of patients who enter a state of general anesthesia.		
	¹ Reflex withdrawal from a painful stimulus is NOT considered a purposeful response.		
	Indicate all health care providers privileged to provide anesthesia:		
	Anesthesiologist		
	Surgeon	X	
	CRNA	X	
	Registered Nurse		
	Anesthesiologist Assistant		
	Others (Please list below):		
	Specify		

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Chapter 9 - Anesthesia Services

Standard		Compliance Rating	Comments
	Chapter 9 - Anesthesia Services		
	Anesthesia care services in an accreditable organization are provided in a safe and sanitary environment by qualified health care professionals who have been granted privileges to provide those services by the governing body.		
	Overall Chapter Compliance Level	SC	
	Was the delivery of sedation or anesthesia observed?	Yes	
	If so, what level?	Minimal Sedation	
	The sedation/anesthesia was provided by:	CRNA	
	The sedation/anesthesia was supervised by:	Surgeon	
	The provisions of this chapter apply to all care involving administration of sedation and anesthesia in all ambulatory settings, including office-based settings. The following definitions are used in determining application of this chapter and the Standards thereof depending on the level of anesthesia and sedation administered by an organization:		
	Standards A through J will be applied at organizations involved in the administration of sedation and anesthesia as defined on page 59, including those where only local or topical anesthesia or only minimal sedation is administered.		
A	Anesthesia services provided in the facilities owned or operated by the organization are limited to those techniques that are approved by the governing body upon the recommendation of qualified professional personnel. Anesthesia services are performed only by health care professionals who have been credentialed and granted clinical privileges by the organization in accordance with Chapter 2.II.	SC	Anesthesia services are provided by two contracted CRNA groups. They generally administer minimal sedation. Appropriate privileges are in place.
B	Adequate supervision of anesthesia services provided by the organization is the responsibility of one or more qualified physicians or dentists who are approved and have privileges for supervision granted by the governing body.	SC	The Medical Director is responsible for the supervision of the anesthesia services.
C	Policies and procedures are developed for anesthesia services, which include, but are not limited to:	SC	

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C.1	Education, training, and supervision of personnel.	SC	
C.2	Responsibilities of non-physician anesthetists.	SC	
C.3	Responsibilities of supervising physicians and dentists.	SC	
D	A physician, dentist, or qualified ² health care professional supervised by a physician or dentist, and approved by the governing body, examines the patient immediately prior to administration of the anesthetic to evaluate the risks of anesthesia relative to the procedure to be performed and develops and documents a plan of anesthesia.	SC	The CRNAs perform heart and lung assessments in pre-op. The surgeons assess the patients and determine if any changes in health status have occurred.
E	The informed consent of the patient or, if applicable, of the patient's representative, is obtained before the procedure is performed. One consent form may be used to satisfy the requirements of this Standard and Standard 10.1.1.	SC	The consent contains information that sedation will be provided by a CRNA.
F	Anesthesia is administered by anesthesiologists, other qualified physicians, dentists, certified registered nurse anesthetists, or other qualified ² health care professionals approved by the governing body pursuant to Chapter 2.11. Other qualified health care professionals must be directly supervised by a physician or dentist who has been privileged for such supervision.	SC	
G	The facility must be established, constructed, equipped, and operated in accordance with applicable local, state, and federal laws and regulations.	SC	
H	At a minimum, all settings in which sedation or anesthesia is administered have the following equipment for resuscitation purposes:	SC	A well-stocked crash cart was present. It is checked daily. There was an operational defibrillator and a suction machine present
H.1	Reliable and adequate source of oxygen delivery.	SC	Oxygen is provided via piped wall outlets and portable oxygen tanks.
H.2	A device such as a self-inflating hand resuscitator bag capable of administering at least 90% oxygen.	SC	Adult ambu bags were present in the clinical areas.
H.3	Appropriate emergency drugs, supplies, and equipment.	SC	ACLS based emergency medications and supplies were present.
H.4	Appropriate monitoring equipment for the intended anesthesia care.	SC	
H.5	Reliable suction source and appropriate equipment to ensure a clear airway.	SC	Suction is provided via piped wall outlets and a portable suction machine.
I	All clinical support staff with direct patient contact maintain at a minimum skills in basic life support (BLS).	SC	
J	If local or topical anesthesia or minimal sedation is administered, clinical records include entries that, at minimum, address patient evaluation and the administration plan.	SC	

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	Standards A through BB will be applied at organizations that administer moderate sedation/analgesia, deep sedation/analgesia, regional anesthesia, or general anesthesia.		
K	If moderate sedation/analgesia, deep sedation/analgesia, regional anesthesia or general anesthesia is administered, clinical records include entries that, at minimum, address:	SC	Complete anesthesia documentation was noted in chart review.
K.1	Pre-anesthesia evaluation.	SC	
K.2	Intra-anesthesia administration, monitoring, and evaluation.	SC	
K.3	Post-anesthesia recovery evaluation.	SC	
L	A patient's oxygenation, ventilation, and circulation must be continually evaluated and documented. Intra-operative physiologic monitoring must include: continuous use of a pulse oximeter, blood pressure determination at frequent intervals, and electrocardiogram (EKG) monitoring for patients during moderate sedation, and for all patients during deep sedation/analgesia or general anesthesia. Monitoring for the presence of exhaled CO2 is required during the administration of deep sedation/analgesia. Monitoring for end tidal CO2 is required during the administration of general anesthesia.	SC	
M	The organization maintains a written policy with regard to assessment and management of acute pain.	SC	
N	The patient is observed and monitored in a post-anesthesia care unit or in an area that provides equivalent care by methods appropriate to the patient's medical condition and sedation or anesthesia.	SC	Patients are closely monitored in PACU.
O	A physician or dentist is present until the medical discharge of the patient following clinical recovery from the surgery/procedure and anesthesia.	SC	The surgeon and anesthesia providers are present until patients have left the ASC.
P	Before medical discharge from the facility, each patient must be evaluated by a physician, dentist, or delegated, qualified ² health care professional, supervised by a physician or dentist and approved by the governing body, to assess recovery. If medical discharge criteria have previously been set by the treating physician or dentist, and approved by the governing body, a delegated, qualified ² health care professional may determine if the patient meets such discharge criteria, and if so, may discharge the patient when those criteria are met.	SC	Discharge criteria has been established.
Q	Health care professionals, with documentation of current training in advanced cardiac life support (ACLS) are present to provide advanced resuscitative techniques until all patients operated on that day have been physically discharged. When pediatric patients are served, health care professionals with documentation of current training in PALS and age- and size-appropriate resuscitative equipment must be available at all times until pediatric patients	SC	The CRNAs and RNs had evidence of current ACLS training.

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	operated on that day have been physically discharged. Initial ACLS and PALS training and subsequent retraining shall be obtained from the American Heart Association or another vendor that includes "hands-on" training and skills demonstration of airway management and automated external defibrillator (AED) use.			
R	Patients who have received moderate sedation/analgesia, deep sedation/analgesia, regional anesthesia, or general anesthesia are discharged in the company of a responsible adult.	SC	An adult caregiver is required for discharge. This is discussed pre-operatively and verified on admission. Facility policy states the caregiver must remain on-site during procedures.	
S	A safe environment for providing anesthesia services is ensured through the provision of adequate space, equipment, supplies, medications, and appropriately trained personnel. Written policies must be in place for safe use of injectables and single-use syringes and needles. All equipment should be maintained, tested, and inspected according to the manufacturer's specifications. A log is kept of regular preventive maintenance.	SC	Safe injection practices were observed.	
T	Alternate power adequate for the type of surgery/service being performed is available in operative and recovery areas.	SC	A well-maintained diesel generator was present. It is regularly tested by a contracted vendor.	
U	Organizations that have anesthetic and resuscitative agents available that are known to trigger malignant hyperthermia must:	NA	MH triggering agents are not stocked at this ASC.	
U.1	Adopt nationally-recognized written treatment protocols ³ that include:	NA		
U.1.a	The use of dantrolene and other medications.	NA		
U.1.b	Readily-available methods of continuous cooling and temperature monitoring of the patient.	NA		
U.1.c	Initiation of an emergency transfer protocol.	NA		
U.2	Provide appropriate staff with education and training in the recognition and treatment of malignant hyperthermia.	NA		
U.2.a	An accredited organization that begins to use triggering agents for the first time must document that appropriate staff were provided with such education and training before the agents were made available for use within the organization.	NA		
U.2.b	Organizations using triggering agents and seeking first-time accreditation must document that appropriate staff have been provided with such education and training.	NA		
U.2.c	All accredited organizations using triggering agents must document that appropriate new staff are provided with such education and training as part of their initial orientation.	NA		

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U.3	Post the treatment protocols so that they are immediately available in each area within the organization where triggering agents might be used.	NA	
U.4	Conduct documented malignant hyperthermia drills at least annually when triggering agents are present within the organization.	NA	
V	The organization has a written protocol in place for the safe and timely transfer of patients to a predetermined alternate care facility when extended or emergency services are needed to protect the health or well-being of the patient. Standard 4.1 addresses medical emergencies that arise in connection with surgical procedures.	SC	
	Standard W will be applied to organizations that provide anesthesia services to children.		
W	If anesthesia services are provided to infants and children, the required equipment, medication, and resuscitative capabilities appropriate to pediatric patients are on site.	NA	The minimum age for treatment is 18 years of age.
X	No patient shall receive moderate or deep sedation or general anesthesia unless a physician, dentist, or other qualified ² individual supervised by a physician or dentist, in addition to the one performing the surgery, is present to monitor the patient. The operating physician or dentist may be the supervising physician or dentist. During moderate sedation, the additional individual may assist with minor, interruptible tasks.	SC	
Y	Organizations that provide sedative, hypnotic, or analgesic drugs that do not have an antagonist medication (for example, propofol) will identify who in the organization, as noted in Standard 9.F, is privileged to administer these drugs.	SC	Only the CRNAs administer propofol at this ASC.
Z	In settings where anesthesia may be provided by other than an anesthesiologist, oral and maxillofacial surgeon, certified registered nurse anesthetist, or an anesthesiologist assistant within his/her scope of practice, the organization has a written protocol that explains how the organization will respond in the event that a deeper-than-intended level of sedation occurs.	SC	
	Standards AA and BB will be applied to organizations that administer deep sedation and/or general anesthesia.		
AA	The administration of deep sedation requires monitoring for the presence of exhaled CO ₂ .	NA	
BB	The administration of general anesthesia requires:	NA	
BB.1	Monitoring for end-tidal CO ₂ .	NA	
BB.2	A readily available means of measuring body temperature.	NA	

SUPPLEMENTAL #1**May 25, 2017****2:41 pm**

	Consultative Comments		Consultative Comments
	² Other qualified health care professionals are qualified by virtue of education, experience, competence, professional licensure, and state laws, rules, and regulations. Other health care professionals must be approved for the administration of anesthesia by the governing body pursuant to Chapter 2.11.		
	³ An example is the Malignant Hyperthermia Association of the United States (MHAUS) protocol. See Resources, Malignant Hyperthermia Guidelines.		

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Chapter 10 - Surgical and Related Services - General Requirements I

Standard		Compliance Rating	Comments
	Chapter 10 - Surgical and Related Services		
	Surgical and related services in an accreditable organization are performed in a safe and sanitary environment by qualified health care professionals who have been granted privileges to perform those procedures by the governing body. The standards in this chapter apply to organizations that provide any invasive procedures, such as pain management, endoscopy procedures, cardiac catheterization, lithotripsy, and in-vitro fertilization, as well as surgery.		
	Overall Chapter Compliance Level	SC	
	Was a surgical procedure observed during the survey?	Yes	
	Name of procedure:	Cataract Extraction with IOL Placement	
	In this chapter and throughout this Handbook, the terms "surgery", "procedure", and "operation" are used interchangeably. The use of any of these terms is to reference any such skill, method, or technique that involves cutting, abrading, suturing, laser, or otherwise physically entering or changing body tissues and organs, including invasive pain management procedures. Note: Some standards may not apply to organizations that only perform minor, superficial procedures without anesthesia or under local or topical anesthesia.		
	Subchapter I - General Requirements: This subchapter describes general requirements for an organization that provides surgical and related services.	SC	
A	Surgical procedures must be performed in a functional and sanitary environment and are limited to those procedures that are approved by the governing body upon the recommendation of qualified medical staff.	SC	Procedures are limited to outpatient ophthalmology cases. The scope of services is reviewed annually.
B	Adequate supervision of surgery conducted by the organization is a responsibility of the governing body. It is recommended that supervision of surgical services be provided by a physician or dentist.	SC	The Medical Director is responsible for the supervision of the surgical services.
C	Surgical procedures must be performed in a safe manner only by qualified	SC	

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	providers who:		
C.1	Are licensed to perform such procedures within the state in which the organization is located.	SC	
C.2	Have been granted clinical privileges to perform those procedures by the governing body in accordance with Chapter 2.II.	SC	Appropriate privileges are in place.
D	An appropriate and current health history must be completed, with a list of current prescription and non-prescription medications and dosages, when available; physical examination; and pertinent pre-operative diagnostic studies incorporated into the patient's clinical record within 30 days, or according to local, state, or federal requirement, prior to the scheduled surgery/procedure.	SC	
D.1	The organization has written policies regarding the procedures and treatments that are offered to patients, which include criteria for patient selection, the need for anesthesia support, and post-procedural care.	SC	
E	When pre-operative antibiotics are ordered, the use and timeliness of administration is documented in the patient's clinical record.	SC	Pre-operative IV antibiotics are monitored and reported when administered.
F	A written policy is in place for the risk assessment and prevention practices relating to deep vein thrombosis, when appropriate.	NA	
G	Specific instructions for discontinuation or resumption of medications prior to and after a procedure are provided to the patient with corresponding documentation in the patient's clinical record.	SC	
H	The necessity or appropriateness of the proposed surgery, as well as any available alternative treatment techniques, have been discussed with the patient prior to surgery.	SC	
I	The informed consent of the patient, or if applicable, of the patient's representative, is obtained before the procedure is performed.	SC	Signed surgical permits were present in all reviewed records.
J	Registered nurse(s) and other health care professionals assisting in the provision of surgical services are appropriately trained and supervised, and are available in sufficient numbers for the surgical and emergency care provided.	SC	
K	Each operating room is designed and equipped so that the types of surgery conducted can be performed in a manner that protects the lives and ensures the physical safety of all persons in the area.	PC	There is a pass through window in the OR. When left in the open position, proper air exchanges cannot take place. This mixes positive pressure and negative pressure environments.
L	Each operating room is constructed and equipped in compliance with applicable state and local fire codes, and only non-flammable anesthetic agents are present.	SC	

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M	Health care professionals trained in the use of emergency equipment and basic life support (BLS) are present when patients are present. At least one physician or dentist is present or immediately available by telephone whenever patients are present.	SC	
N	With the exception of those tissues exempted by the governing body after medical review, tissues removed during surgery are examined by the pathologist, whose signed report of the examination is made a part of the patient's clinical record.	SC	This list was reviewed and found to be appropriate.
O	The findings and techniques of a procedure are accurately and completely documented immediately after the procedure by the health care professional who performed the procedure. This description is immediately available for patient care and becomes a part of the patient's clinical record.	SC	A printed template is used to document the surgical procedures. The surgeons review and sign this immediately following procedures.
P	A safe environment for treating surgical patients, including adequate safeguards to protect the patient from cross-infection, is ensured through the provision of adequate space, equipment, supplies, and personnel.	SC	
P.1	Provisions have been made for the isolation or immediate transfer of patients with a communicable disease.	SC	
P.2	All persons entering operating or procedure rooms are properly attired as defined by the organization's written policy.	PC	Facility policy states patients may wear their clothes into the OR. The clothes are to be covered. This does not take place until the patient has been taken into the OR. Patient's clothes may be worn if they are covered before entry in to the restricted OR.
P.3	Acceptable aseptic techniques are used by all persons in the surgical area.	PC	Aseptic technique can be affected by the blending of air exchanges in positive and negative pressure environments.
P.4	A written policy outlines the appropriate and timely surgical hand antisepsis (scrub) using either an antimicrobial soap or an alcohol-based handrub according to product manufacturer's recommended guidelines.	SC	
P.5	Only authorized persons are allowed in the surgical or treatment areas, including laser rooms.	SC	
P.6	Environmental controls are implemented to ensure a safe and sanitary environment.	PC	See comment at Standard P.3.
P.7	Suitable equipment is provided for the regular cleaning of all interior surfaces.	SC	
P.8	Operating/procedure rooms are appropriately cleaned before each procedure.	SC	Flat surfaces are cleaned after each patient contact.
P.9	Freshly laundered attire is donned in an area inside of the organization prior to entry into areas designated as restricted.	SC	Scrub clothes are donned on-site.

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P.10	Attire used for personal protective equipment (PPE) or attire contaminated with blood or body fluid is laundered by a laundry that adheres to nationally recognized guidelines and is approved by the organization.	SC	
P.11	As needed to minimize the potential contamination of the surgical environment and surgical staff, patient clothing is removed or covered prior to the patient's entry into a surgical area.	PC	Facility policy states patients may wear their clothes into the OR. The clothes are to be covered. This does not take place until the patient has been taken into the OR. Patient's clothes may be worn if they are covered before entry in to the restricted OR.
P.12	Measures are implemented to prevent skin and tissue injury from chemicals, cleaning solutions, and other hazardous exposure.	SC	
P.13	Fire risks are identified and minimized, and staff members are prepared to address fire hazards, if necessary.	SC	Alcohol skin preps are not used in the OR.
P.14	Policies are in place for pre-procedure site antiseptics, as appropriate to service(s) provided and patient requirements and needs.	SC	
Q	Suitable equipment for immediate use and routine sterilization is available to ensure that operating room materials are sterile. The processes for cleaning and sterilization of supplies and equipment adhere to the manufacturer's instructions and recommendations.	PC	Surgical instruments are inadequately and inconsistently cleaned after each surgical procedure. It appears that more instrument trays are needed.
Q.1	Written policies must clearly require documentation of the pre-cleaning, transport, and handling of medical devices intended for external vendor reprocessing, inspection, or repair.	SC	
R	Sterilized materials are packaged, labeled, and stored in a consistent manner to maintain sterility and identify sterility dates. Internal and external indicators, including biological indicators, are used to demonstrate the safe processing of items undergoing sterilization.	SC	
S	High level disinfection processes adhere to equipment and chemical manufacturers' instructions.	PC	A process for high level disinfection is needed for the lens used in laser procedures.
T	Organizations that perform procedures where blood loss and subsequent blood replacement is a potential have policies and procedures to address this type of situation and/or need.	NA	
U	Alternate power adequate for the type of surgery performed is available in operative and recovery areas.	SC	
V	Periodic calibration and/or preventive maintenance of equipment is provided.	SC	
W	The organization utilizes a process to identify and/or designate the surgical procedure to be performed and the surgical site, and involves the patient in that process. The person performing the procedure marks the site. For dental procedures, the operative tooth may be marked on a radiograph or a dental	SC	The surgeon marks the site in pre-op with confirmation by the patient.

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	diagram.			
X	Immediately prior to beginning a procedure, the operating team verifies the patient's identification, intended procedure, and correct surgical site, and that all equipment necessary for performing the scheduled procedure, are immediately available in the operating/procedure room. If implantable devices are intended to be used during the procedure, such devices are prepared and made available prior to the start of the procedure and are incorporated into the verification process. The provider performing the procedure is personally responsible for ensuring that all aspects of this verification have been satisfactorily completed immediately prior to beginning the procedure.	PC	Several "time-outs" were observed. The facility "time-out" policy was not followed. The RN announced the procedure without any participation by the other team members. This was addressed during the survey visit and improvement was noted; however, the policy is not followed.	
Y	The organization identifies the types of procedures requiring counts of sponges, sharps, and instruments.	NA		
Y.1	When a count is required, there is a process to ensure that it occurs both before and after the procedure.	NA		
Z	A process is in place for the observation, care, and communication of such care in all perioperative areas of the patient's facility experience. The organization must define and implement a process in which information about the patient's care is communicated consistently. The process must include means to educate the staff and medical care providers about the process and support implementation consistently throughout the organization.	SC		
AA	The organization follows established protocols for instructing patients in self-care after surgery, including the provision of written instructions to patients who receive moderate sedation/analgesia, deep sedation/analgesia, regional anesthesia, or general anesthesia.	SC	Discharge instructions are reviewed before and after procedures.	
BB	Organizations that receive/store/issue blood and blood products for transfusion or human cells or tissues for transplantation must have written protocols for handling, maintenance, and storage, consistent with those of a nationally-recognized authority, such as the American Association of Tissue Banks (AATB) or the U.S. Food and Drug Administration (FDA).	SC		
	Standard CC will be applied to organizations that provide surgical, diagnostic, and/or therapeutic services to children.			
CC	The organization defines pediatric patients, and has policies addressing the care provided and ensuring a safe environment through the provision of adequate space, equipment, supplies, medications, and personnel.	NA		
	Consultative Comments		Consultative Comments	

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Chapter 10 - Surgical and Related Services - Laser and Light-Based Technologies II

Standard		Compliance Rating	Comments
	Chapter 10 - Surgical and Related Services		
	Subchapter II - Laser, Light-Based Technologies, and Other Energy-Emitting Equipment: This subchapter addresses surgery or procedures that involve laser, light-based technologies, or other energy-emitting equipment.	SC	There are CO2, YAG and LensX lasers present.
A	Policies and procedures should be established and implemented for these devices. Policies and procedures include, but are not limited to:	SC	Safety-based laser policies are in place.
A.1	Safety programs.	SC	
A.2	Education and training of personnel, including a requirement for all personnel working with these devices to be adequately trained in the safety and use of each type of device utilized in patient care.	SC	
B	The organization ensures that its facility is a safe environment, including:	PC	Please see comments below.
B.1	Granting privileges for each specific device.	PC	Privileges for each specific laser are needed in the Delineation of Privileges.
B.2	Ensuring that only authorized persons are allowed in treatment areas.	SC	
B.3	Utilization of door and window coverings, where appropriate.	SC	
B.4	Prominently displayed warning signs being present only during procedures at the entrance to treatment areas.	PC	The laser warning sign is fixed to the door of the laser room.
B.5	When necessary, utilization of protective eyewear by personnel in treatment areas as recommended by the device manufacturer.	SC	
B.6	When appropriate, utilization of smoke evacuators and utilization of appropriate devices to control tissue debris, and high filtration masks and/or wall suction with filters to minimize laser plume inhalation.	SC	
B.7	Utilization of appropriate disinfectant or sterilization of components that have direct patient contact.	PC	There is no process in place for high level disinfection needed for the lens used in YAG procedures.
B.8	Ensuring appropriate fire protection, including:	SC	
B.8.a	The immediate availability of electrical-rated fire extinguishers for equipment	SC	

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	fires.		
B.8.b	The maintenance of a wet environment around the operative field and the immediate availability of an open container of saline or water where ignition of flammable materials is possible.	SC	
B.8.c	The use of safe equipment and/or techniques, especially for procedures in and around the airway and when oxygen is in use.	SC	
B.8.d	The utilization of noncombustible materials, supplies, and solutions as appropriate.	SC	
B.8.e	That drape material is not positioned in front of the laser beam; drapes should be checked prior to use of laser to ensure that material has not shifted during the procedure.	SC	
B.9	Documenting that maintenance logs are present that confirm the inspection and testing of these devices.	SC	
C	The organization ensures patient safety, including:	SC	Safety-based laser policies are in place.
C.1	Assurance that procedures are done in accordance with device manufacturer's guidelines and are consistent with the current version of the ANSI Standard for Safe Use of Lasers in Health Care Facilities.	SC	
C.2	Protection of the patient's eyes, skin, hair, and other exposed areas.	SC	
C.3	When available, the use of non-reflective surgical instruments and supplies.	SC	
C.4	Appropriate patient education regarding procedure risks and potential complications.	SC	
	Consultative Comments		<u>Consultative Comments</u>

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Chapter 11 - Pharmaceutical Services

Standard		Compliance Rating	Comments
	Chapter 11 - Pharmaceutical Services		
	Pharmaceutical services provided or made available by an accreditable organization meet the needs of the patients and are provided in accordance with ethical and professional practices and legal requirements. Note: This chapter applies to any organization that uses drugs or pharmaceutical medical supplies, regardless of the presence or absence of an on-site pharmacy.		
	Overall Chapter Compliance Level	SC	
A	Pharmaceutical services are provided or made available in a safe and effective manner, in accordance with accepted professional practice and under the direction of an individual designated responsible for pharmaceutical services in accordance with Standard 11.J.	SC	There is a contracted pharmacist who conducts quarterly inspection visits.
B	Pharmaceutical services are provided in accordance with ethical and professional practice and applicable federal and state laws.	SC	
C	Staff demonstrates knowledge of applicable state and federal pharmaceutical laws.	SC	
D	Records and security are maintained to ensure the control and safe dispensing of drugs, including samples, in compliance with federal and state laws.	SC	Controlled substances are secure. They are not left unattended. Counts are performed as required.
E	Staff informs patients concerning safe and effective use of medications consistent with legal requirements and patient needs.	SC	Patients are offered the choice of having traditional cataract surgery with post-operative eye drops several times a day for a number of days or a dropless post-operative course. This is discussed in detail with patient who must sign a paper documenting their choice.
F	Measures have been implemented to ensure that prescription pads are controlled and secured from unauthorized patient access, and pre-signed and/or postdated prescription pads are prohibited.	SC	Rx pads are secure from patient access.
G	The organization has a policy, in accordance with state and federal requirements and guidelines, for disposal or return of expired medications.	SC	
G.1	All medications, including vaccines and samples, are monitored for expiration dates on a regular basis.	SC	Expiration dates are closely checked by the nursing staff.

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G.2	Expired items are disposed of in a safe manner that prevents unauthorized access.	SC	
H	All injectable medications drawn into syringes and oral medications removed from the packaging identified by the original manufacturer must be appropriately labeled if not administered immediately.	SC	Drawn syringes were noted to be labeled.
I	The organization must have policies in place for safe use of injectables and single-use syringes and needles that at minimum include the CDC or comparable guidelines for safe injection practices.	SC	Safe injection practices are followed.
J	Pharmaceutical services provided by the organization are directed by a licensed pharmacist or, when appropriate, by a physician or dentist who is qualified to assume professional, organizational, and administrative responsibility for the quality of services rendered.	SC	
K	Providers or other health care professionals who prescribe, dispense, administer, and provide patient education on medications have easy access to current drug information and other decision support resources.	SC	Medication information is available on-site, online and via the contracted pharmacist.
L	If look-alike or sound-alike medications are present, the organization identifies and maintains a current list of these medications, and actions to prevent errors are evident.	SC	A list of look-alike/sound-alike medications is posted in the medication room.
M	Procedures are established by the organization for maintenance, cleaning, distribution, and use of devices such as nebulizer units, intravenous infusion pumps, or any other mechanical device used in the medication delivery process.	SC	Non-critical items are disinfected after each patient contact.
N	A pharmacy owned or operated by the organization is supervised by a licensed pharmacist.	NA	
O	Pharmaceutical services made available by the organization through a contractual agreement are provided in accordance with the same ethical and professional practices and legal requirements that would be required if such services were provided directly by the organization.	NA	
P	Patients are not required to use a pharmacy owned or operated by the organization.	NA	
	Consultative Comments		<u>Consultative Comments</u>

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Chapter 12 - Pathology and Medical Laboratory Services - CLIA Waived Tests I

Standard		Compliance Rating	Comments
	Chapter 12 - Pathology and Medical Laboratory Services		
	Pathology and medical laboratory services provided or made available by an accredited organization meet the needs of the patients and are provided in accordance with ethical and professional practices and legal requirements. Such an organization has the following characteristics.		
	Overall Chapter Compliance Level	SC	
	Subchapter I - CLIA-Waived Tests and Provider Performed Microscopy: This subchapter applies only to health care organizations providing services that meet the Clinical Laboratory Improvement Amendments (CLIA) of 1988 requirements and have been issued a Certificate of Waiver or a Provider Performed Microscopy Certificate.	SC	
A	An accredited organization:	SC	
A.1	Meets the requirements for waived tests or provider performed microscopy under CLIA (part 493 of Title 42 of the Code of Federal Regulations) if it performs its own laboratory services, performs only waived tests and/or provider performed microscopy tests, and has obtained a Certificate of Waiver and/or a Provider Performed Microscopy Certificate, and/or	SC	The facility operates with CLIA waiver 44D0983626 which expires 3/8/2017. The waived tests are blood sugar and urine pregnancy. CLIA-waived test products are used.
A.2	Has procedures for obtaining routine and emergency laboratory services from a certified laboratory in accordance with CLIA if it does not perform its own laboratory services.	SC	
B	Pathology and medical laboratory services provided or made available are appropriate to the needs of the patients and adequately support the organization's clinical capabilities.	SC	Appropriate patient screening is in place.
C	Pathology and medical laboratory services include, but are not limited to:	SC	
C.1	Conducting laboratory procedures that are appropriate to the needs of the patients.	SC	
C.2	Performing tests in a timely manner.	SC	
C.3	Distributing test results after completion of a test and maintaining a copy of the results.	SC	

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C.4	Performing and documenting appropriate quality control procedures, including, but not limited to, calibrating equipment periodically and validating test results.	SC	Controls are performed per manufacturer's instructions.
C.5	Ensuring that staff performing tests has adequate training and competence to perform the tests.	SC	
D	The organization has a policy that ensures that test results are reviewed appropriately and that documents that test results are reviewed by the ordering physician or another privileged provider.	SC	There is a process in place for sending tissue specimens, however, this is never performed. There are no specimens sent out by this organization.
	Consultative Comments		<u>Consultative Comments</u>

SUPPLEMENTAL #1

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Summary Table		Overall Chapter Level
1. Rights of Patients		SC
2. Governance		SC
I. General Requirements		SC
II. Credentialing and Privileging		SC
III. Peer Review		SC
3. Administration		SC
4. Quality of Care Provided		SC
5. Quality Management and Improvement		SC
I. Quality Improvement Program		SC
II. Risk Management		SC
6. Clinical Records and Health Information		SC
7. Infection Prev		PC
I. General Requirements		PC
II. Infection Safety		SC
8. Facilities and Environment		SC
9 - Anesthesia Services		SC
10. Surgical and Related Services		SC
I. Surgical - General		SC
II. Surgical - Laser		SC
III. Surgical - Lithotripsy Services		NA

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11. Pharmaceutical Services	SC
12 - Pathology and Medical Lab Services	SC
I. CLIA-Waived Tests	SC
II. CLIA-Laboratories	NA
13. Diagnostic and Other Imaging Services	NA
14. Dental Services	NA
I. Dental Services	NA
II. Dental Home	NA
15 - Other Professional & Technical Services	NA
I. General Services	NA
II. Travel Medicine	NA
16 - Health Education and Health Promotion	NA
17 - Behavioral Health	NA
18. Teaching and Publication Activities	NA
19. Research Activities	NA
20. Overnight Care and Services	NA
21. Occupational Health Services	NA
22. Immediate/Urgent Care Services	NA
23. Emergency Services	NA
24. Radiation Oncology Treatment Services	NA
25. Medical Home	NA

SUPPLEMENTAL #1

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Supplemental #1

(ADDL INFO)
(COPY)

Perimeter Surgery Center

CN1705-017

May 26, 2017

3:13 pm

May 24, 2017

Phillip M. Earhart, HSD Examiner
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: CON Application CN1705-017--Correction to Second Supplemental
Perimeter Surgery Center, LLC

Dear Mr. Earhart:

This letter provides a correction to page 59R that was submitted this morning in the second supplemental responses. Please substitute this page.

Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please email or telephone me so that we can respond in time to be deemed complete.

Respectfully,



John Wellborn
Consultant

May 26, 2017**3:13 pm**

7. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. Additionally, report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payer classification for the first year of the project by completing the table below.

Applicant's Projected Payer Mix, Year 1		
Payer Source	Projected Gross Operating Revenue	As a Percent of Total Revenue
Medicare/Medicare Managed Care	\$6,414,149	66.00%
TennCare/Medicaid	\$680,289	7.00%
Commercial/Other Managed Care	\$2,235,234	23.00%
Self-Pay	\$72,888	0.75%
Charity Care	\$48,592	0.50%
Other	\$267,256	2.75%
Total	\$9,718,408	100.00%

8. Provide the projected staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTE) positions for these positions. Additionally, please identify projected salary amounts by position classifications and compare the clinical staff salaries to prevailing wage patterns in the proposed service area as published by the Department of Labor & Workforce Development and/or other documented sources.

See the Table B-Economic Feasibility-8, on the following page. The applicant cannot locate current prevailing wage patterns for the types of employees needed, on the referenced website or in other documented sources.

The facility will provide anesthesia through a contract with a certified registered nurse anesthetist, who will be in all area TennCare MCO's and who will do his or her own independent billing. That expense and revenue are not included in the Projected Data Chart because they are not part of this facility's financial operation.

May 26, 2017

3:13 pm

MAY 26 2017

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY:

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the lawful agent of the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete to the best of my knowledge.

John Wellborn
Signature/Title
CONSULTANT

Sworn to and subscribed before me, a Notary Public, this the 26th day of May, 2017, witness my hand at office in the County of DAVIDSON, State of Tennessee.

Jan M. Danforth
NOTARY PUBLIC

My commission expires July 2, 2018.

HF-0043

Revised 7/02

